

THE COMPANIES ACT 2006

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PUBLIC COMPANY LIMITED BY SHARES

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NEW

ARTICLES OF ASSOCIATION

- of -

PRIMARY HEALTH PROPERTIES PLC

Adopted by Special Resolution passed on 4 January 2021

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# INDEX OF NEW ARTICLES OF ASSOCIATION

-of-

## PRIMARY HEALTH PROPERTIES PLC

(As adopted by Special Resolution passed on 4 January 2021)

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**OTHER REGULATIONS EXCLUDED**

**1. OTHER REGULATIONS EXCLUDED**

The following regulations shall be the Articles of Association of the Company and save for such regulations no regulation or article prescribed by or pursuant to any statute concerning companies shall apply to the Company.

**INTERPRETATION**

**2. INTERPRETATION**

2.1 In these Articles the following words shall bear the following meanings if not inconsistent with the subject or context:

“**these Articles**” means these Articles of Association as herein contained or as from time to time amended;

“**the Auditors**” means the auditors for the time being of the Company;

“**the Board**” means the board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present or a duly authorised committee of the Directors;

“**certificated share**” means a share in the capital of the Company that is not an uncertificated share and references to a share being held in certificated form shall be construed accordingly;

“**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;

“**Companies Act**” means the Companies Act 2006;

“**Company**” means Primary Health Properties PLC;

“**Directors**” means the directors for the time being of the Company;



**“electronic address”** means but is not limited to, any number or address used for the purposes of sending or receiving notices, documents or information by electronic means;

**“electronic form”** has the same meaning as in the Companies Act;

**“electronic means”** has the same meaning as in the Companies Act;

**“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 Companies 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 bona fide 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;

**“the London Stock Exchange”** means the London Stock Exchange Plc;

**“General Meeting”** or **“Meeting”** means a general meeting of the Members of the Company

**“the Group”** means the Company and any company which is for the time being a Subsidiary Undertaking of the Company;

**“Member”** means in respect of any share in the Company the person or persons named for the time being in the Register as the holder(s) thereof (not including, to the extent that these Articles would otherwise conflict with the Statutes, the Company itself in relation to shares held as treasury shares), including, subject to Section 145 of the Companies Act 2006, any person nominated in accordance with these Articles to enjoy or exercise a member’s rights in relation to the Company;

**“month”** means calendar month;

**“nomination notice”** has the meaning given to it in Article 86;

**“the Office”** means the registered office for the time being of the Company; **“Paid Up”** means paid up and/or credited as paid up;

**“Paid Up”** has the same meaning as in the Companies Act;

**“the Prescribed Rate”** means an annual rate of interest equal to two per cent above the Base Lending Rate (or any equivalent thereof or successor thereto) published from time to time by Barclays Bank PLC in London being the Base Lending Rate in effect at the close of business in London on the day immediately preceding the day on which such rate falls to be determined;

**“Principal Place”** has the meaning given to it in Article 63.1;

**“the Register”** means the register of Members of the Company and includes so far as relevant and so long as the Uncertificated Securities Regulations so permit/require, a related operator register of Members;

**“Regulations”** means the Uncertificated Securities regulation 2001;

**“Retiring Directors”** has the meaning given to it in Article 113.3.2;

“**the Seal**” means the common seal of the Company and, as appropriate, any official seal that the Company has or may be permitted to have under the Statutes;

“**the Secretary**” means the secretary of the Company and (subject to the provisions of the Companies Act) any joint assistant or deputy secretary and any person appointed by the Directors to perform any of the duties of the secretary;

“**the Statutes**” means Companies Act, the Uncertificated Securities Regulations, and every other statute or statutory instrument, rule, order or regulation for the time being in force concerning companies and affecting the Company;

“**Sterling**” means the lawful currency of the United Kingdom;

“**Subsidiary Undertaking**” means a subsidiary undertaking of the Company which is required by the Statutes to be included in consolidated Group accounts of the Company;

“**Uncertificated Securities Regulations**” means the Uncertificated Securities Regulations 2001, including any modification of them or any regulations in substitution of them from time to time in force;

“**uncertificated share**” means a share of a class in the capital of the Company which is recorded on the Register as being held in uncertificated form and title to which may, by virtue of the Uncertificated Securities Regulations, be transferred by means of a relevant system and references to a share being held in uncertificated form shall be construed as a reference to that share being an uncertificated unit of security;

“**UKLA**” means 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;

“**the United Kingdom**” means Great Britain and Northern Ireland;

“**in Writing**” means written, printed, lithographed, or photographed, or visibly expressed, including in electronic form or by making it available on a website, in all or any of these or any other modes of representing or reproducing words.

- 2.2 Words importing the singular number only shall include the plural number, and vice versa.
- 2.3 Words importing the masculine gender only shall include the feminine gender.
- 2.4 Words importing persons shall include corporations.
- 2.5 References to the execution of a document (including where execution is implied, such as in the giving of a written consent) include references to its being executed under hand or under seal or by any other method (including electronically), and, in relation to anything sent or supplied in electronic form, include references to its being executed by such means and incorporating such information as the Board may from time to time stipulate for the purpose of establishing its authenticity and integrity.
- 2.6 The expressions “share” and “shareholder” shall include stock and stockholder. The expressions “debenture” and “debenture holder” shall include debenture stock and debenture stockholder.
- 2.7 Subject as aforesaid, any words or expressions defined in the Statutes shall (except where the subject or context otherwise requires) bear the same meaning in these Articles.
- 2.8 References to “includes”, “including” and “included” will be construed without limitation unless inconsistent with the context.

- 2.9 References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.
- 2.10 References to “Sections” are references to sections of the Companies Act (unless otherwise indicated) and references to “Articles” are references to articles of these Articles.
- 2.11 The headings contained in these Articles are included for convenience only and shall not affect the construction of these Articles.
- 2.12 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.
- 2.13 References to a person’s participation in the business of a General Meeting includes without limitation and as relevant the right (including, in the case of a corporation, through a duly appointed representative) to speak, vote, be represented by a proxy and have access in either hard copy or electronic form to all documents which are required by the Companies Act 2006 or these Articles to be made available at the Meeting, and participate and participating in the business of a General Meeting shall be construed accordingly.
- 2.14 A person who is a Member is present at a Meeting for the purposes of these Articles if:
- (a) being an individual, he attends the Meeting (at the Principal Place or any satellite meeting place) in person or attends by any electronic means as determined by the Directors in relation to that Meeting;
  - (b) being a corporation, a person that it has authorised to attend the Meeting as its representative attends the Meeting (at the Principal Place or any satellite meeting place) or attends by any electronic means as determined by the Directors in relation to that Meeting in that capacity; or
  - (c) a person appointed as his proxy attends (at the Principal Place or any satellite meeting place) in person or attends by any electronic means as determined by the Directors in relation to that Meeting.
- 2.15 References to any security as being in certificated form or uncertificated form refer, respectively to that security being a certificated unit of a security or an uncertificated unit of a security for the purposes of the Regulations.

## **BUSINESS**

### **3. BOARD’S DISCRETION AS TO BUSINESS**

Any branch or kind of business which, by the Memorandum of Association of the Company or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Company at such time as the Board shall think fit and further, may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

## **CHANGE OF NAME**

### **4. CHANGE OF NAME**

The Company may change its name by resolution of the directors.

## **CAPITAL AND LIMITED LIABILITY**

### **5. SHARE CAPITAL**

The share capital of the Company as at the date of adoption of these Articles is divided into 1,315,551,380 ordinary shares of 12.5 pence each and the liability of the Members is limited to the amount, if any, unpaid on the shares held by them.

### **6. CONDITIONS OF ISSUE OF UNISSUED OR NEW SHARES**

Without prejudice to any special rights for the time being conferred on the holders of any class of shares (which special rights shall not be modified, varied or abrogated except with such consent or sanction as is provided for by Article 48), any share in the Company (whether forming part of the present capital or not) may be issued with such preferred, deferred, or other special rights, or subject to such conditions or restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution direct, or failing such direction (but in the case of unclassified shares only) as the Board may determine. The Company shall, if required in accordance with Section 556, within one month from allotting shares deliver to the Registrar of Companies a statement in the prescribed form containing particulars of special rights. Where the equity capital of the Company includes shares with different voting rights, the designation of each class of shares other than those with the most favourable voting rights will include the words “restricted voting” or “limited voting” or “non-voting”.

## **SHARES**

### **7. AUTHORITY OF BOARD TO ALLOT SHARES**

Subject to the Statutes and to the authority of the Company in a General Meeting required by the Statutes, the Directors shall have unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any share of the Company to such persons, at such times and generally on such terms and conditions as the Directors may determine.

### **8. POWER TO PAY COMMISSIONS**

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Statutes. Any such commission or brokerage may be satisfied in fully paid shares in the Company, in which case Sections 552 and 553 shall be complied with. In addition to all other powers of paying commissions, the Company (or the Board on behalf of the Company) may exercise the powers conferred by the Statutes of applying its shares or capital moneys in paying commissions to persons subscribing or procuring subscriptions for shares of the Company or agreeing so to do, whether absolutely or conditionally provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and shall not exceed 10 per cent. of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. The Company (or the Board on behalf of the Company) may also, on any issue of shares, pay such brokerage as may be lawful.

### **9. RECEIPT OF JOINT HOLDERS**

If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividend or other moneys payable in respect of such share.

## **10. TRUST NOT RECOGNISED**

The Company shall keep the Register and such other registers and associated indices in relation to its Members as may be required by the Statutes and shall maintain such registers and indices in accordance with the Statutes. Save as required by the Statutes or provided by these Articles or otherwise required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or (except only as by these Articles otherwise expressly provided or as by the Statutes required or pursuant to an order of Court) any right whatsoever in respect of any share, other than an absolute right to the entirety thereof in the registered holder.

## **11. POWER TO ISSUE REDEEMABLE SHARES**

The Company may:

- 11.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or of the Members and the Directors may determine the terms, conditions and manner of redemption of any such shares; and
- 11.2 with respect to Paid Up ordinary shares issue warrants stating the bearer is entitled to the ordinary shares therein specified, and may provide by coupons or otherwise for the payment of future dividends or other monies or for the exercise of rights on or in respect of the ordinary shares included in such warrants. The Company shall comply with the provisions of the Companies Act with respect to the details required to be maintained in respect of the issue of Share Warrants. A Share Warrant shall entitle the bearer thereof to the ordinary shares included in it, and such ordinary shares may be transferred by the delivery of the Share Warrant, and the provisions of these Articles with respect to the issue of certificates for or the transfer and transmission of shares shall not apply to ordinary shares for which Share Warrants have been issued. The Company in general meeting shall have power to determine to what extent the bearer of a Share Warrant shall be deemed to be member of the Company. No new Share Warrants will be issued to replace one that has been lost, unless the Company is satisfied beyond reasonable doubt that the original has been destroyed.

## **12. UNCERTIFICATED SHARES**

- 12.1 Subject to the Uncertificated Securities Regulations, the Board may permit shares of any class to be held in uncertificated form and to be transferred by means of a relevant system and may determine that any class of shares shall cease to be a participating security. Where the Board permits shares to be held in uncertificated form, Articles 12.4 and 12.5 shall commence to have effect immediately prior to the time at which the operator of the relevant system concerned permits the class of shares to be a participating security.
- 12.2 Conversion of shares held in certificated form into shares held in uncertificated form, and vice versa, may be made in such manner as the Board may in its absolute discretion think fit (subject to the Uncertificated Securities Regulations and the facilities and requirements of the relevant system).
- 12.3 Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class is held in uncertificated form or is permitted in accordance with the Uncertificated Securities Regulations to become a participating security.

- 12.4 In relation to any class of shares which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:
- 12.4.1 the holding of shares of that class in uncertificated form;
  - 12.4.2 the transfer of title to shares of that class by means of a relevant system; or
  - 12.4.3 the provisions of the Uncertificated Securities Regulations and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the operator of the relevant system, so long as that is permitted or required by the Uncertificated Securities Regulations, of an operator register of securities in respect of shares of that class in uncertificated form.
- 12.5 Without prejudice to the generality of Article 12.4 and notwithstanding anything contained in these Articles, where any class of shares is, for the time being, a participating security (such class being referred to hereinafter as the “**Relevant Class**”):
- 12.5.1 the register relating to the Relevant Class shall be maintained at all times in the United Kingdom; and
  - 12.5.2 unless the Directors otherwise determine, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings.

### **13. COMPANY’S RIGHTS IN RESPECT OF UNCERTIFICATED SHARES**

Where any class of shares is a participating security and the Company is entitled under the Statutes or the Articles to sell, transfer, dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the Statutes and the Articles and the facilities and requirements of the relevant system:

- 13.1 to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company;
- 13.2 to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice;
- 13.3 to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice;
- 13.4 to take any action that the Board considers appropriate to achieve the sale, transfer, disposal of, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of it; and
- 13.5 to assume that the entries on any record of securities maintained by it in accordance with the Uncertificated Securities Regulations and regularly reconciled with the relevant operator register of securities are a complete and accurate reproduction of the particulars entered in the operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance upon such assumption; in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be

taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

## **SHARE CERTIFICATES**

### **14. ISSUES OF CERTIFICATES**

- 14.1 Every Member shall without payment be entitled to receive within two months after the allotment of shares to him or within 14 days lodgement of a transfer of shares to or by him (or within such other period as the conditions of issue shall provide) one certificate for all the certificated shares of each class registered or remaining registered in his name provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders and delivery of such certificate to any one of them shall be sufficient delivery to all. Where part of the shares comprised in a certificate are transferred, the Member transferring shall be entitled without payment to a certificate for the balance thereof. Shares of different classes may not be included in the same certificate.
- 14.2 Every certificate shall specify the number, class and distinctive numbers (if any) of the shares to which it relates and the amount paid up thereon and (subject as hereinafter provided) shall bear the autographic signatures of at least one Director and the Secretary provided that the Board by resolution may determine that such signatures or either of them shall be dispensed with or shall be affixed by such other person as may be authorised by the Board or some method or system of mechanical or electronic signature.
- 14.3 If and so long as all the issued shares of a particular class are fully Paid Up and rank pari passu for all purposes, then none of those shares shall be distinguished by a denoting number. A Member may require more than one certificate in respect of the certificated shares held by him in the capital of the Company for the time being provided the Directors can require the Member to pay the Company's exceptional out of pocket expenses incurred in connection with the issue of any share certificate under this Article provided further that no Member shall be entitled to more than one certificate in respect of any one share held by him.

### **15. RENEWAL OF CERTIFICATES**

If any such certificate is worn out, defaced, destroyed or lost, it may be replaced by a new certificate without payment (other than exceptional out-of-pocket expenses incurred by the Company in respect of any such issue) on such evidence being produced as the Board may require and, in the case of wearing out or defacement, on delivery up of the old certificate and, in the case of destruction or loss, on execution of such indemnity (if any), with or without security, as the Board may require. The Company shall be entitled to destroy any old certificate which has been replaced.

## **CALLS ON SHARES**

### **16. MAKING OF CALLS**

- 16.1 The Board may, subject to the provisions of these Articles and to any conditions of issue, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) as it thinks fit provided that fourteen Clear Days' notice at least is given of each call, and each Member shall be liable to pay the amount of every call so made upon him to the persons and at the times and places appointed by the Board.

- 16.2 A call may be made payable by instalments.
- 16.3 A call shall be deemed to have been made as soon as the resolution of the Board authorising such call shall have been passed and an entry in the Minute Book of a resolution of the Board making the call shall be conclusive evidence of the making of the call.
- 16.4 A call may be revoked or postponed as the Board may determine.
- 16.5 The joint holders of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof.

#### **17. INTEREST ON UNPAID CALLS**

If on the day appointed for payment thereof, a call or instalment payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at the Prescribed Rate from the day appointed for payment thereof to the date of actual payment, but the Board shall have power to waive payment of or remit such interest or any part thereof.

#### **18. SUMS PAYABLE ON ALLOTMENT**

Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date whether on account of the amount of the share or by way of premium, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment and in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

#### **19. DIFFERENCE IN CALLS**

The Board may make arrangements upon the issue of shares for different conditions to apply as between the holders of such shares either as to the amount of calls to be paid or the time of payment of such calls with respect to such shares or both.

#### **20. PAYMENTS IN ADVANCE OF CALLS**

The Board may receive from any Member willing to advance the same, all or any part of the moneys due upon his shares beyond the sums actually called up thereon and upon all or any of the moneys so advanced the Board may (until the same would, but for such advance, become presently payable) pay or allow such interest (not exceeding, without the consent of a General Meeting the Prescribed Rate) as may be agreed between it and such Member, in addition to the dividend payable upon such part of the shares in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

#### **21. CALLS TO BE PAID BEFORE EXERCISING MEMBER'S RIGHTS**

No Member shall be entitled to receive any dividend or to be present or vote at any Meeting or upon a poll or to exercise any right or privilege as a Member, until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses in respect of such calls.



## **FORFEITURE**

### **22. NOTICE TO PAY CALLS**

If a Member or person entitled to a share by transmission upon the death or bankruptcy of a Member fails to pay in full any call or instalment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued.

### **23. CONTENTS OF SUCH NOTICE**

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

### **24. FORFEIT OR SURRENDER ON NON-COMPLIANCE WITH NOTICE**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Board may accept a surrender of any share liable to be forfeited hereunder in lieu of forfeiture and the provisions of these Articles shall apply to any share so surrendered as if it had been forfeited.

### **25. DISPOSAL OF FORFEITED OR SURRENDERED SHARE**

Subject to the provisions of the Statutes, a share so forfeited or surrendered 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 or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Board shall think fit. At any time before a sale, re-allotment or disposal, the forfeiture or surrender may be cancelled on such terms as the Board may think fit. The Board may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

### **26. LIABILITY IN RESPECT OF FORFEITED OR SURRENDERED SHARE**

A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of such shares, but shall, notwithstanding the forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at the Prescribed Rate.

## **LIEN**

### **27. COMPANY'S LIEN**

The Company shall have a first and paramount lien upon every share (not being a share which is fully Paid Up) registered in the name of any Member, either alone or jointly with any other person, for his or his estate's debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company in respect of that share, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not. Such lien shall extend to all

dividends from time to time declared or other moneys paid in respect of every such share but the Board may at any time declare any share to be exempt, wholly or partially, from the provisions of this Article.

**28. SALE OF SHARES SUBJECT TO LIEN**

For the purposes of enforcing such lien the Company may sell, in such manner as the Board thinks fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen Clear Days after a notice in Writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by transmission in consequence of death or bankruptcy and provided that payment of all sums in respect of which the lien exists has not been made. To give effect to a sale, the Board may, if the shares are certificated shares, authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder or the person entitled by transmission to, or in accordance with the directions of, the purchaser. If the shares are uncertificated shares the Board may exercise any of the Company's powers under Article 13.3 to effect the transfer of the shares to, or in accordance with the directions of, the purchaser. The purchaser is not bound to see to the application of the purchase money and his title to the share is not affected by any irregularity in or invalidity of the proceedings connected with the sale.

**29. APPLICATION OF PROCEEDS OF SALE**

The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (whether the shares sold are certificated or uncertificated shares and subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale and, if the shares sold are certificated shares, on surrender to the Company for cancellation of the certificate for the shares sold on the provision of an indemnity) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof.

**30. EVIDENCE OF TITLE TO SHARES FORFEITED, SURRENDERED OR SOLD BY THE COMPANY**

A statutory declaration in Writing that the declarant is the Secretary or a Director and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

## **TRANSFER OF SHARES**

### **31. GENERAL REQUIREMENTS FOR TRANSFER**

- 31.1 Subject to the conditions and restrictions contained in these Articles any Member may transfer all or any of his certificated shares by instrument of transfer but not more than one class of certificated shares shall be transferred by one instrument of transfer. Transfers of shares in uncertificated form shall be effected by means of the relevant system in accordance with the Statutes and the Articles.
- 31.2 Every transfer of certificated shares must be in Writing in the usual common form or in such other form as the Board may approve, duly stamped, and must be lodged at the office of the Registrars of the Company for the time being accompanied by the certificate of the shares to be transferred (save in the case of a transfer by a nominee of a recognised investment exchange to whom no certificate was issued or a recognised person to whom no certificate was issued) and such other evidence as the Board may reasonably require to prove the title of the intended transferor.
- 31.3 Notwithstanding Article 31.2, the Board may adopt further procedures for recording, transferring and evidencing title to its shares without a written instrument provided that such procedures shall be in accordance with the Statutes and regulations made pursuant thereto.

### **32. EXECUTION OF TRANSFER**

The instrument of transfer used in respect of certificated shares shall be signed by or on behalf of the transferor and (except in the case of a share which is fully Paid Up) by or on behalf of the transferee but need not be under seal. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

### **33. BOARD'S POWER TO REFUSE REGISTRATION**

- 33.1 Subject to Article 41.2, the Board may refuse to register a transfer of a certificated share unless the instrument of transfer:
- (a) is in respect of only one class of shares;
  - (b) is in favour of not more than four joint transferees;
  - (c) is duly stamped (if required); and
  - (d) is delivered for registration to the Office or such other place as the Board may decide accompanied by the certificate for the shares to be transferred (save in the case of a transfer by a recognised person to whom no certificate was issued) and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.
- 33.2 The Board may impose restrictions upon the transfer of any share which is not fully paid, provided that the restrictions are not such as to prevent dealings in the shares from taking place on an open and proper basis.
- 33.3 The Board may, in exceptional circumstances approved by the UKLA and the London Stock Exchange, disapprove the transfer of any share, provided that exercise of such powers does not disturb the market.

- 33.4 The Board may refuse to register the transfer of an uncertificated share in any circumstances permitted by the UKLA, the London Stock Exchange, the Uncertificated Securities Regulations and the rules and practices of the operator of the relevant system.
- 33.5 Subject to Article 41.2, the Board may, in its absolute discretion, refuse to register any transfer of shares which does not appear to it to be a transfer pursuant to an arm's length sale (as defined in Article 41.6) and which relates to shares held by a Member in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under Section 793 of the Companies Act (or under any other statutory provision or provision of these Articles for the time being in force enabling the Company by notice in writing to require any persons to give any information regarding those shares).

#### **34. NOTICE OF REFUSAL TO REGISTER**

If the Board refuses to register a transfer of any share it shall, as soon as practical and in any event within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal together with reasons for the refusal, as required by Section 771 of the Companies Act.

#### **35. TRANSFER AND OTHER REGISTRATION FEES**

No fee shall be charged for registration of a transfer, probate, letters of administration, certificate of marriage or death, stop notice, power of attorney or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.

#### **36. RETENTION AND DESTRUCTION OF TRANSFERS**

36.1 Subject to compliance with the system's rules, the Company may destroy:

- (a) any instrument of transfer of shares and any other document on the basis of which an entry is made in the Register, at any time after the expiration of six years from the date of registration;
- (b) any instruction concerning the payment of dividends or other monies in respect of any share or any notification of change of name or address, at any time after the expiration of two years from the date the instruction or notification was recorded; and
- (c) any share certificate which has been cancelled, at any time after the expiration of one year from the date of cancellation;

provided that the Company may destroy any such type of document after such shorter period as the Board may determine if a copy of such document is retained electronically or by other similar means and is not destroyed earlier than the original might otherwise have been destroyed in accordance with this Article.

36.2 It shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every share certificate so destroyed was a valid and effective document duly and properly cancelled and that every other document so destroyed was a valid and effective document in accordance with its particulars recorded in the books or records of the Company provided that:

- 36.2.1 this Article shall apply only to the destruction of a document in good faith and without express notice that its retention was relevant to any claim (regardless of the parties to the claim);

- 36.2.2 nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than times referred to in this Article or in any case where the conditions of this Article are not fulfilled; and
- 36.2.3 references in this Article to the destruction of any document or thing include references to its disposal in any manner.

### **37. RENUNCIATIONS OF ALLOTMENT**

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

## **TRANSMISSION OF SHARES**

### **38. TRANSMISSION ON DEATH**

In case of the death of a Member the survivor or survivors (where the deceased was a joint holder) and the executors or administrators of the deceased (where he was a sole or only surviving holder) shall be the only persons recognised by the Company as having any title to his interest in the shares but nothing in these Articles shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

### **39. ELECTION AS TO REGISTRATION ON TRANSMISSION**

Any person becoming entitled to a certificated share in consequence of the death or bankruptcy of a Member may, upon such evidence as to title being provided as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share upon giving to the Company notice in writing of his desire to such effect or transfer such share to some other person. If he elects to become holder or name another person registered and the share is an uncertificated share, he shall take any action the Board may require (including without limitation the execution of any document and giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

### **40. RIGHTS OF PERSON ENTITLED ON TRANSMISSION**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall (upon supplying to the Company such evidence as the Board may reasonably require as to his title to the share) be entitled to receive, and may give a discharge for, all benefits arising or accruing on or in respect of the share and the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to Meetings until he shall have been registered as a Member in respect of the share provided always that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if within 60 days the notice is not complied with such person shall be deemed to have elected to be registered as a Member in respect thereof and may be registered accordingly.

## **DISCLOSURE OF INTERESTS IN SHARES**

## **41. DISCLOSURE OF INTERESTS IN SHARES**

41.1 No Member shall, unless the Board otherwise determines, be entitled in respect of any share or shares held by him to vote (either in person or by representative or proxy) at any General Meeting or at any separate meeting of the holders of any class of shares or to exercise any other right conferred by membership in relation to any such Meeting of the Company if he or any other person appearing to be interested in such share or shares has been duly served with a notice under Section 793 of the Companies Act (or under any other statutory provision or provision of these Articles for the time being in force enabling the Company by notice in Writing to require any persons to give any information regarding that share or those shares) which requires him or such other person to give information to the Company in accordance with such Section or provision and:

41.1.1 he or any such person is in default in supplying to the Company the information thereby required within (i) 14 days after service of the notice (or such longer period as may be specified in such notice) if the shares specified in such notice represent at least 0.25 per cent. of the shares of the class to which such shares belong in issue on the date of service of such notice or (ii) 28 days after service of the notice (or such longer period as may be specified in such notice) in any other case; or

41.1.2 in purported compliance with such notice, he or any such person has made a statement which, in the opinion of the Board, is false or misleading in any material particular (and in the latter case he or any such person has failed to correct such statement within a further period of 14 days after service of a further notice in Writing requiring him so to correct it).

The Board may at any time restore the aforementioned entitlement of the Member by notice in Writing to such Member and shall restore such entitlement within 7 days of the earlier of: (a) receipt by the Board of notice that the shares of such Member have been transferred pursuant to an arm's length sale and (b) due compliance, to the satisfaction of the Board, with the said notice under Section 793 of the Companies Act (or as otherwise provided in this Article) in respect of all the shares to which such notice related.

41.2 The Board may, in its absolute discretion, refuse pursuant to Article 33.1 to register any transfer of shares which does not appear to it to be a transfer pursuant to an arm's length sale and which relates to shares held by a Member in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under Section 793 of the Companies Act (or under any other statutory provision or provisions of these Articles for the time being in force enabling the Company by notice in Writing to require any person to give any information regarding those shares) which requires him or such other person to give information to the Company in accordance with such Section or provision and:

41.2.1 he or any such person is in default in supplying to the Company the information thereby required within 14 days after service of the notice (or such longer period as may be specified in such notice); or

41.2.2 in purported compliance with such notice, he or any such person has made a statement which, in the opinion of the Board, is false or misleading in any material particular (and in the latter case has failed to correct such statement within a further period of 14 days after service of a further notice in Writing requiring him so to correct);

Provided that the shares specified in such notice represent at least 0.25 per cent of the shares of the class to which such shares belong in issue on the date of service of such notice.

Any notice served pursuant to this Article 41.2 may contain a statement to the effect that upon failure to supply such information before the expiry of a period specified in such notice (being not less than 14 days from the date of service of such notice) the Board may, in its absolute discretion, refuse to register any transfer of such shares which does not appear to it to be a transfer pursuant to an arm's length sale.

No transfer of any of the default shares shall be registered unless:

41.2.3 the transfer is an excepted transfer; or

41.2.4 the Member is not himself in default in supplying the information required and 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; or

41.2.5 registration of the transfer is required by the Uncertificated Securities Regulations,

(and, for the purpose of ensuring this Article 41.2 can apply to all shares held by the holder, the Company may, in accordance with the Uncertificated Securities Regulations, issue written notification to the operator of the relevant system requiring the conversion into certificated form of any shares held by the holder in uncertificated form).

The restrictions on transfer provided by Article 33.5 shall take effect only upon the service on the registered holder of the shares in question of a notice to the effect that he has thereby become subject to the said restrictions and such restrictions shall only apply for so long as the information requested pursuant to this Article 41.2 has not been supplied to the Company or until the Board is satisfied that such shares have been acquired by a new beneficial owner following an arm's length sale, whichever is the earlier.

41.3 The Board may, in its absolute discretion, withhold pursuant to Article 145 the payment of any dividend to a Member in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under Section 793 of the Companies Act (or under any other statutory provision or provision of these Articles for the time being in force enabling the Company by notice in Writing to require any persons to give any information regarding those shares) which requires him or such other person to give information to the Company in accordance with such Section or provision and:

41.3.1 he or any such person is in default in supplying to the Company the information thereby required within 14 days after service of the notice (or such longer period as may be specified in such notice); or

41.3.2 in purported compliance with such notice, he or any such person has made a statement which, in the opinion of the Board, is false or misleading in any material particular (and in the latter case has failed to correct such statement within a further period of 14 days after service of a further written notice requiring him so to correct);

Provided that the shares specified in such notice represent at least 0.25 per cent. of the shares of the class to which such shares belong in issue on the date of such notice.

Any notice served pursuant to this Article 41.3 shall contain a statement to the effect that upon failure to supply such information before the expiry of a period specified in such notice (being not less than 14 days from the date of service of such notice) the Board may, in its absolute discretion, withhold the payment of any dividend in respect of the shares specified in the notice if the information required as aforesaid is not given within the period specified in the notice. The withholding provisions of Article 145 shall take effect only upon service on the registered holder of the shares in question of a notice to the effect that he has thereby become subject to the said

withholding provisions and such provisions shall only apply for so long as the information requested pursuant to this Article has not been supplied to the Company or until the Board is satisfied that such shares have been acquired by a new beneficial owner following an arm's length sale, whichever is the earlier.

The Board may at any time restore the aforementioned entitlement of the Member by notice in Writing to such Member and shall restore such entitlement when the said notice under Section 793 of the Companies Act (or as otherwise provided in this Article) has been complied with in respect of all the shares to which such notice related.

- 41.4 The Board shall be entitled to serve a notice under Section 793 of the Companies Act which fulfils all or any of Articles 41.1, 41.2 or 41.3 above (as the case may be) on a person who is not the registered holder of shares in the Company only if the registered holder of the shares in question has previously been, or is simultaneously with the service of such a notice, served by the Company with a notice under the said Section 793 of the Companies Act. The Board shall not be required to serve separate notices for the purposes of Articles 41.1, 41.2 or 41.3 and, subject to the other provisions of this Article 41, it may serve a notice in respect of all or any of the said Articles which shall be effective for the purposes of Articles 41.1, 41.2 or 41.3 (as the case may be). Notwithstanding the foregoing, the Company shall be entitled to serve separate notices at such times as it so chooses in respect of Articles 41.1, 41.2 or 41.3.
- 41.5 For the purposes of this Article 41, a person shall be treated as appearing to be interested in any shares if (after taking into account any information supplied in response to any notice under the Section 793 of the Companies Act and any other information) the Board knows or has reasonable cause to believe that the person in question is or may be interested in the shares.
- 41.6 For the purpose of this Article 41 and Article 33.5 a sale shall be regarded as being an "arm's length sale" if it is on a recognised investment exchange or it is on any Stock Exchange outside the United Kingdom on which the Company's shares of the same class as the shares the subject of restrictions pursuant to this Article 41 are listed or regularly traded and the restrictions on transfer provided by Article 33.5 and Article 41.2 shall not apply where such transfer arises from acceptance of a take-over offer for a company as defined in Section 974 of the Companies Act.
- 41.7 Shares issued in respect of shares which are for the time being not entitled to vote at a General Meeting pursuant to this Article or to receive dividends pursuant to this Article and Article 145 shall, on issue, become subject to the same restriction.
- 41.8 The Company is not, by virtue of anything done for the purposes of this Article, to be affected by notice of, or put on enquiry as to the rights of any person in relation to, any shares.
- 41.9 The provisions of this Article 41 shall be in addition and without prejudice to the provisions of the Statutes and nothing done by the Company pursuant to this Article or Articles 31, 33 or 145 shall prejudice the Company's rights under the same.

## **STOCK**

### **42. POWER TO CONVERT SHARES INTO STOCK**

The Company may, from time to time, by ordinary resolution, convert all or any of its fully Paid Up shares into stock, and may from time to time, in like manner, convert any stock into fully Paid Up shares of any denomination. No such conversion shall affect or prejudice any preference or other special privilege.



#### **43. TRANSFER OF STOCK**

When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein, or any part of such interests, in such manner as the Company by ordinary resolution directs but in default of any such direction in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances will admit. The Board may, from time to time, fix the minimum amount of stock transferable provided that such minimum shall not exceed the nominal amount of each of the shares from which the stock arose.

#### **44. RIGHTS OF STOCKHOLDERS**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at General Meetings and other matters and be subject to the same provisions of these Articles as if they held the shares from which the stock arose; but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### **ALTERATIONS TO CAPITAL**

#### **45. CONSOLIDATION, CANCELLATION AND SUB-DIVISION OF SHARES**

The Company may, from time to time, by ordinary resolution:

- 45.1 consolidate all or any of its share capital into shares of larger amounts than its existing shares;
- 45.2 cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person;
- 45.3 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of Section 618 and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions, as compared with the others, as the Company has power to attach to unissued or new shares.

#### **46. PROVISIONS AS TO CONSOLIDATION OF SHARES**

- 46.1 Upon any consolidation of fully Paid Up shares into shares of larger amount the Board may settle any difficulty which may arise with regard thereto and in particular may, as between the holders of shares so consolidated, determine which shares are consolidated into each consolidated share and in the case of any shares registered in the name of one Member being consolidated with shares registered in the name of another Member the Board may make such arrangements for the allotment, acceptance and/or sale of shares representing fractional entitlements to the consolidated share or for the sale of the consolidated share and may sell the fractions or the consolidated share either upon the market or otherwise to such person at such time and at such price as it may think fit and shall distribute the net proceeds of sale among such Members rateably in accordance with their rights and interests in the consolidated share or the fractions and for the purposes of giving effect to any such sale the Board may appoint some person to transfer the shares or fractions sold to any purchaser thereof and such appointment and any transfer executed in pursuance thereof shall be effective provided that the Board shall have power when making such arrangements to determine that no Member shall be entitled to receive such net proceeds of sale unless his

entitlement exceeds such amount as the Board shall determine and, if the Board exercises such power, the net proceeds of sale not distributed to Members as a result shall belong absolutely to the Company.

- 46.2 Where certificated shares are to be sold, the Board may authorise a person to execute an instrument of transfer of shares to, or in accordance with the directions of, the purchaser and may cause the name of the purchaser or transferee to be entered in the Register as the holder of the shares. Where uncertificated shares are to be sold, the Board may do all acts and things it considers necessary or expedient to effect the transfer of the shares to, or in accordance with the directions of, the purchaser. The purchaser need not be further concerned with 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.

**47. PROVISIONS APPLICABLE TO ALTERATIONS TO CAPITAL**

Anything done in pursuance of the last three preceding Articles shall be done in manner provided and subject to any conditions imposed by the Statutes, so far as they shall be applicable and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same and, so far as such resolution shall not be applicable, in such manner as the Board shall determine.

**MODIFICATION OF CLASS RIGHTS**

**48. MODIFICATION OF CLASS RIGHTS**

None of the rights, privileges or conditions for the time being attached or belonging to any class of shares forming part of the issued capital for the time being of the Company shall be modified, varied or abrogated in any manner except with the consent in writing of the holders of three quarters in nominal value of the issued shares of the class or the sanction of a special resolution passed at a separate meeting of the members of that class and then only subject to the provisions of Section 633. To any such separate meeting all the provisions of these Articles as to General Meetings shall mutatis mutandis apply but so that the necessary quorum (other than at an adjourned Meeting) shall be not less than two persons personally present and holding or representing, either by proxy or as the duly appointed representative of a corporation which is a Member, at least one third of the capital Paid Up on the issued shares of the class and, at an adjourned Meeting, one Member holding shares of the class in question or his proxy, and so that any holder of shares of the class in question present in person or by proxy may demand a poll and shall be entitled on a poll to one vote for every such share held by him. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or by the terms of issue of the shares of that class, be deemed to be modified, varied or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

**GENERAL MEETINGS**

**49. ANNUAL GENERAL MEETING**

An Annual General Meeting of the Company shall be held in each year (in addition to any other Meetings which may be held in that year) and such Meeting shall be specified as the Annual General Meeting in the notices calling it. Subject as aforesaid and to the provisions of the Statutes, the Annual General Meeting shall be held at such time and place as the Board shall appoint.

## **50. GENERAL MEETINGS**

All General Meetings other than Annual General Meetings shall be called General Meetings.

## **51. CONVENING OF GENERAL MEETINGS**

51.1 The Board may call a General Meeting whenever it thinks fit and shall also do so on requisition in accordance with the Statutes. The Directors shall determine the means by which persons entitled to attend and participate in any General Meeting shall be permitted to do so in accordance with Article 63. Such means shall include attendance and participation at a physical meeting place and, as determined by the Directors, may also include simultaneous attendance and participation at a satellite meeting place or places and/or by electronic means.

51.2 If at any time there are not sufficient Directors capable of acting to form a quorum of the Board any Director or any two Members may convene a General Meeting in the same manner as nearly as possible as that in which Meetings may be convened by the Board.

## **52. REQUISITION TO STATE BUSINESS**

In the case of a General Meeting called in pursuance of a requisition, unless such Meeting shall have been called by the Board, no business other than that stated in the requisition as the objects of the Meeting shall be transacted.

### **NOTICE OF GENERAL MEETINGS**

## **53. NOTICE OF GENERAL MEETINGS**

An Annual General Meeting shall be convened by at least 21 clear days' notice. Subject to the Statutes, all other General Meetings shall be convened by at least 14 clear days' notice. Notice shall be given in manner hereinafter mentioned to such Members as are, under the provisions of these Articles, entitled to receive such notices from the Company and to all transmittes, Directors and the Auditors. Every notice of Meeting shall specify the place, day and hour of the Meeting and, in the case of special business, the general nature of such business and shall also state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member. In the case of a Meeting convened for passing a special resolution the notice shall specify the intention to propose the resolution as a special resolution

## **54. CONTENTS OF NOTICES**

54.1 Every notice calling a General Meeting shall specify:

54.1.1 the place, the date and the time of the Meeting and the general nature of the business to be transacted;

54.1.2 (if such is the case) that the Meeting is an Annual General Meeting;

54.1.3 (if such is the case) that the Meeting is convened to pass a special resolution;

54.1.4 with reasonable prominence that a Member is entitled to appoint one or more proxies to exercise all or any of the Member's rights to attend, speak and vote at the Meeting, that a proxy need not be a Member, and the address or addresses where appointments of proxy are to be deposited, delivered or received insofar as any such address is other than the postal address of the Office.

- 54.2 As long as the shares of the Company are admitted to the Official List of the Financial Conduct Authority, every notice calling a General Meeting shall also:
- 54.2.1 contain, if the notice is given more than six weeks before the Annual General Meeting, a statement of the right in accordance with the Statutes to require notice of a resolution to be moved or a matter to be included in the business of the Meeting;
  - 54.2.2 specify the address of the website on which the information required by the Statutes has been published in advance of the Meeting;
  - 54.2.3 specify the procedures with which Members must comply, and when, in order to be able to attend and vote at the Meeting; and
  - 54.2.4 contain a statement of the right of members to ask questions in accordance with the Statutes.
- 54.3 In the case of a Meeting at which the Directors have resolved persons shall be entitled to attend and participate simultaneously at a satellite meeting place or places in accordance with Article 63.2, without prejudice to Article 63.2.2, the notice shall state the location of such satellite meeting place(s).
- 54.4 In the case of a Meeting at which the Directors have resolved persons shall be entitled to attend and participate simultaneously by electronic means in accordance with Article 54.3, without prejudice to Article 63.3.2, the notice shall state the means of attendance and participation as determined by the Directors and any access, identification and security arrangements determined by the Directors in accordance with the Articles.

## **55. SHORT NOTICE**

A Meeting shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed:

- 55.1 in the case of a Meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- 55.2 in the case of any other Meeting, by a majority in number of the Members having a right to attend and vote at the Meeting being a majority together holding not less than 95 per cent in nominal value of the shares giving a right to attend and vote at the Meeting.

## **56. DUTY TO INFORM MEMBERS ON REQUISITION**

It shall be the duty of the Company, subject to the provisions of the Statutes, on the requisition in Writing of such number of Members as is specified in Section 314 of the Companies Act and, subject to the Statutes, at the expense of the requisitionists: (i) to give to Members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that Meeting and (ii) to circulate to Members entitled to have notice of any General Meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that Meeting.

## **57. OMISSION OR NON-RECEIPT OF NOTICE**

The accidental omission to give notice of any Meeting to, or the non-receipt of notice of any Meeting by, any person entitled to receive notice shall not invalidate any resolution passed or proceeding held at that Meeting.

**58. CHANGE OF DATE, TIME, PLACE OR BY ELECTRONIC MEANS**

If for any reason the Board considers it impractical or undesirable to hold a Meeting on the day, at the time, and/or or in the place or places or by any electronic means of attendance and participation specified in the notice calling the Meeting it can change the date, time and/or place and/or places of the Meeting and alter any means of electronic participation and attendance (or whichever it requires), and may do so more than once in relation to the same Meeting. References in these Articles to the time of the holding of the Meeting shall be construed accordingly. No new notice of the rearranged Meeting need be sent but the Board will, insofar as it is practicable, take reasonable steps to ensure that notice of the change of time, date, place or places and/or electronic means of attendance and participation for the rearranged Meeting is announced on the Company's website and/or via any relevant regulatory news service but it shall not be necessary to restate the business of the Meeting in that announcement. No business shall be transacted at any rearranged Meeting other than business which may have properly been transacted at the Meeting had it not been rearranged. Notice of the business to be transacted at such rearranged Meeting shall not be required. If a General Meeting is postponed in accordance with this Article 58, without prejudice to the discretion afforded to the Directors pursuant to Article 63.6, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than 48 hours before the time appointed for holding the postponed Meeting. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

**PROCEEDINGS AT GENERAL MEETINGS**

**59. SPECIAL NOTICE**

Where by any provision contained in the Statutes special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been validly given to the Company in accordance with these Articles and the Statutes not less than twenty-eight days (or such shorter period as the Statutes permit) before the Meeting at which it is moved and the Company shall give to its Members notice of such resolution in accordance with these Articles and the Statutes.

**60. QUORUM**

No business shall be transacted at any General Meeting unless a quorum is present when the Meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation which is a Member (including for this purpose two persons who are proxies or corporate representatives for the same member), shall be a quorum.

**61. CHAIR**

The Chair of the Board shall preside at every General Meeting; but if there be no such Chair or he shall be unwilling or unable to preside or if at any Meeting he shall not be present within five minutes after the time appointed for holding the same, the Deputy-Chair of the Board shall preside or if there be no such Deputy-Chair or he shall be unwilling to act or if he be not present within such period, the Directors present shall choose some Director or if no Director be present or if all the Directors present decline to take the chair, the Members present in person or by proxy shall choose one of their number to be Chair of the Meeting.

## **62. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 62.1 A person is able to exercise the right to speak at a General Meeting when that person is in a position to communicate to all those attending the Meeting, during the Meeting, any information or opinions which that person has on the business of the Meeting.
- 62.2 A person is able to exercise the right to vote at a General Meeting when:
- 62.2.1 that person is able to vote, during the Meeting, on resolutions put to the vote at the Meeting; and
  - 62.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the Meeting.
- 62.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it.
- 62.4 Each Director shall be entitled to attend and to speak at any General Meeting of the Company and at any separate General Meeting of the holders of any class of shares or debentures in the Company.

## **63. MEETING AT MORE THAN ONE PLACE AND/OR BY ELECTRONIC MEANS**

- 63.1 A General Meeting or adjourned Meeting may be held at more than one place. Notwithstanding that the specification in the notice convening the Meeting of the place at which the chair will be present (the "**Principal Place**") the Directors may resolve to allow persons not present together at the same place to attend, speak and vote at that Meeting to do so.
- 63.1.1 by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world
  - 63.1.2 by simultaneous attendance and participation by electronic means.
- 63.2 A General Meeting may be held at more than one place if:
- 63.2.1 the notice convening the Meeting specifies that it shall be held at more than one place; or
  - 63.2.2 the Directors resolve, after the notice convening the Meeting has been given, that the Meeting shall be held at more than one place; or
  - 63.2.3 it appears to the chair of the Meeting that the place of the Meeting specified in the notice convening the Meeting is inadequate to accommodate all persons entitled and wishing to attend.
- 63.3 Attendance and participation at a General Meeting may be partly by electronic means if:
- 63.3.1 the notice convening the Meeting specifies the instructions for attendance and participation by electronic means; or
  - 63.3.2 the Directors resolve after the notice convening the Meeting has been given, that attendance and participation in the Meeting by electronic means may be permitted,
- and where the Directors enable persons to attend and participate by electronic means, the Directors shall determine in their absolute discretion the form and adequacy of such electronic means.

- 63.4 The members or proxies present at a General Meeting by way of electronic means and/or at a satellite meeting place or places shall be counted in the quorum for, and be entitled to vote at, the General Meeting in question, and that Meeting shall be duly constituted and its proceedings valid if the chair of the Meeting is satisfied that adequate facilities are available throughout the Meeting to ensure that the members or proxies attending at the places at which persons are participating by all means (including by electronic means and/or at any satellite meeting place or places) are able to:
- 63.4.1 participate in the business for which the Meeting has been convened; and
  - 63.4.2 hear all persons who speak at the Meeting;
  - 63.4.3 and be heard by all other persons attending and participating in the Meeting.
- 63.5 If a General Meeting is held at more than one place and/or partly by electronic means, in accordance with this Article, the chair of the Meeting shall be present at, and the Meeting shall be deemed to take place at the Principal Place.
- 63.6** If it appears to the chair that facilities at the Principal Place or any satellite meeting place and/or to enable simultaneous attendance and participation by electronic means have become inadequate for the purposes set out this Article, the chair of the Meeting may, without the consent of the Meeting, interrupt or adjourn the General Meeting. All business conducted at the General Meeting up to the point of the adjournment shall be valid.
- 63.7 If, at any General Meeting at which members are entitled to participate by electronic means as determined by the Directors pursuant to this Article, any document is required to be put on display or to be available for inspection at the Meeting (whether prior to or for the duration of the Meeting or both), the Directors shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.
- 63.8 All persons seeking to attend and participate in a General Meeting by way of electronic means shall be responsible for maintaining adequate facilities to enable them to do so. Without prejudice to the ability on the chair to adjourn the Meeting in accordance with the provisions of Article 63.6, any inability of a person or persons to attend or participate in a General Meeting by electronic means shall not invalidate the proceedings of that Meeting.
- 63.9 The Board may make such arrangements as it thinks fit for simultaneous attendance and participation at the Meeting and may vary any such arrangements or make new arrangements. Arrangements may be notified in advance or at the Meeting by whatever means the Board thinks appropriate to the circumstances. Each person entitled to attend the Meeting will be bound by the arrangements made by the Board.
- 63.10 Where a General Meeting is held in more than one place, in a series of rooms and/or partly by electronic means, then for the purpose of these Articles the Meeting shall consist of all those persons entitled to attend and participate in the Meeting who attend at any of the places or rooms by electronic means.

## **64. SECURITY ARRANGEMENTS**

- 64.1 The Board may direct that persons entitled to attend any General Meeting should submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and the Board may in its absolute discretion refuse entry to such General Meeting to any person who fails to submit to such searches or otherwise to comply with such

security arrangements or restrictions. If any person has gained entry to a General Meeting and refuses to comply with any such security arrangements or restrictions or disrupts the proper and orderly conduct of the General Meeting, the chair of the Meeting may at any time without the consent of the General Meeting require such person to leave or be removed from the Meeting.

64.2 If a General Meeting is held partly by electronic means pursuant to Article 63, the Directors and/or the chair of the Meeting may make any arrangement and impose any requirement or restriction that is:

64.2.1 necessary to ensure the identification of those taking part by electronic means and the security of the electronic communication; and

64.2.2 in its or his or her view, proportionate to achieving those objectives.

In this respect, the Directors may authorise any voting application, system or facility for attendance and participation as it sees fit.

## **65. ADJOURNMENTS**

65.1 The chair of the Meeting may at any time without the consent of the Meeting adjourn any Meeting (whether or not it has commenced or a quorum is present) either indefinitely or to such time place (or places if attendance and participation is permitted at a satellite meeting place) and/or from any electronic means for attendance and participation to such another electronic means, and with any such other means of simultaneous attendance and participation as he or she may decide if it appears to him or her that:

65.1.1 the persons entitled to attend cannot be conveniently accommodated in the place appointed for the Meeting;

65.1.2 the conduct of persons present prevents, or is likely to prevent, the orderly continuation of business; or

65.1.3 an adjournment is otherwise necessary so that the business of the Meeting may be properly conducted.

65.2 In addition, the chair of the Meeting may at any time with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting either indefinitely or to such time, and place (or places if attendance and participation is permitted at a satellite meeting place) and/or from any electronic means for attendance and participation to any other electronic means, and with any such other means of simultaneous attendance and participation as he or she may decide. When a Meeting is adjourned indefinitely the time and place for the adjourned Meeting shall be fixed by the Board.

65.3 No business shall be transacted at any adjourned Meeting except business which might properly have been transacted at the Meeting had the adjournment not taken place.

## **66. NOTICE OF ADJOURNED MEETING**

66.1 If a Meeting is adjourned indefinitely or for 30 days or more or for lack of a quorum, at least seven clear days' notice specifying the place, the day and the time of the adjourned Meeting shall be given, but it shall not be necessary to specify in the notice the nature of the business to be transacted at the adjourned Meeting. Otherwise, it shall not be necessary to give notice of an adjourned Meeting.



**67. DISSOLUTION OF ADJOURNMENT IN ABSENCE OF QUORUM**

If within five minutes from the time appointed for the holding of a General Meeting a quorum is not present, the Meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same time and place seven days thereafter.

**68. RECORDING OF RESOLUTIONS AND QUALIFICATION TO DEMAND POLL**

68.1 At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless before a vote on a show of hands on that resolution or immediately after the declaration of the result of the show of hands a poll be demanded:

68.1.1 by the Chair of the Meeting; or

68.1.2 by the Directors; or

68.1.3 by not less than five Members present in person or by proxy and entitled to vote at the Meeting; or

68.1.4 by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or

68.1.5 by a Member or Members holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been Paid Up equal to not less than one-tenth of the total sum Paid Up on all the shares conferring that right.

68.2 Unless a poll be so demanded a declaration by the Chair of the Meeting that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, shall be conclusive, and an entry to that effect in the Minute Book of the Company shall be conclusive of the votes recorded in favour of or against such resolution.

**69. TAKING OF POLL**

A poll demanded on the election of a Chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken forthwith if practicable, but if not practicable at such time (not being more than thirty days from the date of the Meeting or the adjourned Meeting at which such poll was demanded) and place and in such manner as the Chair of the Meeting shall direct and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. No notice need be given of a poll not taken immediately. The demand for a poll may be withdrawn.

**70. CHAIR TO RECTIFY VOTING ERRORS**

If:

70.1 any objection is raised to the qualification of any voter; or

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

70.3 any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the Meeting on any resolution unless the same is raised or pointed out at the Meeting or adjourned Meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chair of the Meeting and shall only vitiate the decision of the Meeting on any resolution if the

Chair decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the Meeting. The decision of the Chair on such matters shall be final and conclusive.

#### **71. CONTINUANCE OF MEETING AFTER POLL DEMANDED**

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

### **VOTES OF MEMBERS**

#### **72. VOTING RIGHTS**

Subject to any special terms as to voting upon which any share may be issued, or may for the time being be held, and subject to the provisions of Articles 39 and 40, upon a show of hands every Member present in person and entitled to vote has one vote and on a poll every Member present in person or by proxy and entitled to vote shall have one vote for every share of which he is the registered holder.

72.1 Subject to Article 72.2, on a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote.

72.2 On a vote on a resolution on a show of hands at a meeting, a proxy has one vote for and one vote against the resolution if:

72.2.1 the proxy has been duly appointed by more than one Member entitled to vote on the resolution, and

72.2.2 the proxy has been instructed by one or more of those Members to vote for the resolution and by one or more other of those Members to vote against it.

72.3 On a vote on a resolution on a show of hands at a meeting, if:

72.3.1 a proxy has been duly appointed by more than one Member entitled to vote on the resolution; and

72.3.2 the proxy has been instructed by one or more Members (“**Member(s) A**”) to vote in a certain manner and has been given discretionary authority by one or more other Members (“**Member(s) B**”) to vote in relation to the resolution in the manner such proxy deems fit,

such proxy is entitled, pursuant to the discretionary authority granted by Member(s) B, to cast a second vote which is contrary to the manner in which such proxy voted in accordance with the instructions of Member(s) A.

#### **73. VOTES OF INCAPACITATED MEMBERS**

If any Member is of unsound mind or otherwise incapacitated he may vote, whether on a show of hands or on a poll, by his curator bonis, committee or other legal curator and such last mentioned persons may give their votes either personally or by proxy provided that such evidence as the Board may reasonably require of the authority of the persons claiming to vote is deposited at the Office not less than forty eight hours before the time for holding the Meeting or adjourned Meeting at which such person claims to vote.

**74. VOTES OF JOINT HOLDERS**

If two or more persons are jointly entitled to a share, then, in voting upon any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share and for this purpose seniority shall be determined by the order in which the names stand in the Register.

**75. VOTING QUALIFICATION**

No Member shall be entitled to be present or to be counted in the quorum at any General Meeting unless he shall be the holder of one or more shares giving the right to attend thereat upon which all calls or other moneys due and payable in respect of the same shall have been paid and no Member shall be entitled to vote at any General Meeting on a poll or show of hands either personally or by proxy in respect of any share upon which any call or other moneys due and payable have not been paid.

**76. PROXIES**

Votes may be given either personally or by proxy. On a show of hands a Member present either personally, by proxy or by corporate representative shall have a vote. A proxy need not be a Member and a Member may appoint one or more than one person to act as his proxy. On a poll a Member entitled to more than one vote need not, if he votes, use all of his votes or cast all the votes he uses in the same way.

**77. VOTING WHERE MORE THAN ONE PROXY APPOINTED**

If a Member appoints more than one person to act as his proxy the appointment of each such proxy shall specify the shares held by the Member in respect of which each such proxy is to vote and no Member may appoint more than one proxy (save in the alternate) to vote in respect of any one share held by that Member.

**78. EXECUTION OF PROXY INSTRUMENT**

The appointment of a proxy shall be in Writing under the hand of the appointor, or his attorney duly authorised in Writing, or if such appointor is a corporation, under its common seal or under the hand of some officer or attorney duly authorised in that behalf or in electronic form. The Directors may, but shall not be bound to, require evidence of authority of such officer or attorney or other person in accordance with the Companies Act.

**79. PROXY APPOINTMENTS MAY BE SUPPLIED IN ELECTRONIC FORM**

The Board may allow an appointment of proxy to be sent or supplied in electronic form subject to any conditions or limitations as the Board may specify, and where the Company has given an electronic address in any instrument of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

**80. VALIDITY OF PROXY'S VOTE**

A vote given in accordance with the terms of an appointment of a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or transfer of the share in respect of which it is given, unless previous intimation in Writing of the

death, insanity, revocation or transfer shall have been received at the Office one hour at least before the time fixed for holding the Meeting.

## **81. DEMAND OF POLL BY PROXY**

The appointment of a proxy shall be deemed to confer authority to attend and to speak at a Meeting of the Company and to vote on a show of hands, to demand or join in demanding a poll and to vote at such poll.

## **82. DEPOSIT OF PROXY INSTRUMENTS**

The appointment of a proxy and the power of attorney or other authority, if any, under which it is executed, or a copy of the authority notarially certified, or certified in some other way approved by the Board, shall be:

- 82.1 in the case of an instrument in writing, received at such place as may be specified for that purpose in the notice convening the meeting or in any form of appointment of proxy sent out by the Company in relation to the meeting or if no place is so specified at the Office at least 48 hours before the time fixed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the instrument proposes to vote; or
- 82.2 in the case of an appointment contained in electronic form, where an electronic address has been specified:
  - 82.2.1 in the notice convening the meeting; or
  - 82.2.2 in any form of appointment of proxy sent out by the Company in relation to the meeting; or
  - 82.2.3 in any invitation to appoint a proxy issued by the Company in relation to the meeting; or
  - 82.2.4 be received at such electronic address at least 48 hours before the time fixed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the appointment proposes to vote; or
  - 82.2.5 in the case of a poll taken subsequently to the date of the meeting or adjourned meeting received as aforesaid not less than 24 hours (or such shorter time as the Board may determine) before the time fixed for the holding of the adjourned meeting or the taking of the poll.
- 82.3 The Board may specify in the notice convening the meeting that in determining the time for receipt of proxies under this Article 82, no account shall be taken of any part of a day that is not a working day.
- 82.4 The appointment of a proxy not received in accordance with this Article 82 is invalid.
- 82.5 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Directors may from time to time permit appointments of a proxy to be made in electronic form in an Uncertificated Proxy Instruction, (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned)); and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The

Directors may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors 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. For the purposes of this Article 82.5 properly authenticated dematerialised instructions shall have the same meaning as given in the Uncertificated Securities Regulations.

- 82.6 In Article 82.2 and Article 82.5, “electronic address” includes, in the case of any Uncertificated Proxy Instructions permitted pursuant to Article 82.5, an identification number of a participant in the relevant system concerned.

### **83. FORM OF PROXY INSTRUMENT**

An instrument of proxy may be in any common form or in such other form as the Board may from time to time approve.

### **84. CIRCULATION OF PROXY FORMS**

The Board may at the expense of the Company send by post or otherwise make available to the Members instruments of proxy (with or without provision for their return prepaid) for use at any General Meeting or at any Meeting of any class of Members of the Company either in blank or nominating in the alternative any one or more of the Directors or the Chair of the Meeting or any other person or persons. If, for the purpose of any Meeting, invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company’s expense they shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the Meeting and to vote thereat by proxy.

## **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS**

### **85. REPRESENTATION OF CORPORATIONS AT MEETINGS**

Subject to the provisions of the Companies Act, any corporation which is a Member of the Company 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 or of any class of Members thereof. That corporation is, for the purposes of these Articles, treated as being present in person at a meeting if a person or persons so authorised is present. All references to attending and voting in person shall be construed accordingly except that the voting rights of persons so authorised shall be set out in the Companies Act. A Director, the Secretary or any other person authorised for the purpose by the Secretary may require a person or persons so authorised to produce a certified copy of the resolution of authorisation before permitting him or them to exercise their powers.

## **NOMINATED MEMBERS**

### **86. NOMINATED MEMBERS**

- 86.1 A Member may from time to time send the Company notice in writing that another person is entitled to enjoy or exercise all or any specified rights of that member in relation to the Company (a “**nomination notice**”). For the purposes of these Articles, but subject to the provisions of the Statutes, references to any matter to be done by, or in relation to, a person who is a Member shall

be deemed to include reference to any person for the time being nominated in accordance with this Article (and such references shall, until such nomination ceases to have effect in accordance with this Article, exclude the Member who made the nomination).

86.2 The Company may prescribe the form and content of nomination notices. Unless the Company prescribes otherwise, a nomination notice shall:

86.2.1 identify the shares held by the member to which the nomination notice relates;

86.2.2 state the name and address of the person nominated;

86.2.3 specify how the Company is to communicate with the person nominated and include

86.2.4 any further information which the Company will need in order to use the means of communication specified;

86.2.5 specify the rights the person nominated is to be entitled to enjoy or exercise in relation to the shares to which it relates and state whether the member giving the notice may also continue to exercise or enjoy them;

86.2.6 specify the date from which it is to take effect, if later than the date on which the Company is deemed to receive it in accordance with these Articles; and

86.2.7 be executed by or on behalf of the member and the person nominated.

## **87. EFFECT OF NOMINATION NOTICES**

87.1 Subject to these Articles, if the Company receives a nomination notice, the Company must give effect to that notice in accordance with its terms.

87.2 Unless a nomination notice specifies when it is to cease to have effect, it will have effect until further notice or until the member concerned ceases to hold the shares to which it relates, and in any event it will cease to have effect when the Company is notified or otherwise becomes aware that the member concerned, or the person nominated, has died or ceased to exist. The fact that a nomination notice has ceased to have effect shall not invalidate anything done (or omitted to be done) by the person nominated at any time prior to the date the nomination notice ceases to have effect in accordance with this Article.

87.3 If the Company receives a document which purports to be a nomination notice but which does not contain the required information or which is not given in the form prescribed by the Company, the Company:

87.3.1 shall not give effect to it; and

87.3.2 shall notify the person that it is defective (and in what respect it is defective), and that the Company cannot give effect to it in its present form.

87.4 If more than one person has been nominated pursuant to Article 86 to exercise or enjoy a right in relation to the same shares, the Company shall, in the absence of any relevant limitation in the nomination notice on the rights of the person nominated, accept the instruction or exercise of the relevant right that is first received, to the exclusion of any later instruction or purported exercise by another nominated person in respect of the same right and the same shares.

## **88. COMPANY TO KEEP RECORDS OF NOMINATIONS**

88.1 The Company shall keep a record of all nomination notices that are in force or have been in force within the preceding 12 months.

- 88.2 The Company shall provide any member, on request, with a copy of its records of nomination notices given in relation to that member.
- 88.3 The Company shall provide any person nominated in a nomination notice with a copy of its records of nomination notices in which that person is nominated.

## **DIRECTORS**

### **89. NUMBER OF DIRECTORS**

Until otherwise determined by a General Meeting the number of Directors shall not be less than two and there shall be no maximum number. The Company may by ordinary resolution from time to time vary the minimum and maximum number of Directors.

### **90. SHORTFALL**

90.1 If the number of Directors is less than the minimum required by these Articles, any Director or Directors able and willing to act may for the purpose of appointing an additional Director or Directors or convening a General Meeting for the purpose of making any such appointment.

90.2 If there is no Director, two or more members holding at least ten per cent of all the ordinary shares then in issue may convene a General Meeting for the purpose of appointing Directors, to be held on a working day at the registered office or any other place convenient to the Company. If the persons present at the commencement of the Meeting and entitled to vote include only one person who has been a Director within the previous five years and is willing to act as chair of the Meeting, that person shall be the chair of the Meeting. If more than one such person is then present it shall be decided by majority vote who will act as chair. No appointment proposed to be made at such Meeting shall be effective if, immediately before its commencement, the Company has the minimum number of Directors required by the Companies Act.

90.3 If there is no Director, one or more persons may be appointed as a Director so as to ensure that the number of Directors is the minimum required by the Companies Act by delivery of a written notice to the Company nominating the person or persons to be appointed signed by:

90.3.1 the person or persons to be appointed, and

90.3.2 a member or members holding at least ten per cent of all ordinary shares then in issue, and such notice may consist of several documents in the same form each signed by one or more of the persons required to sign it.

### **91. APPOINTMENT OF DIRECTORS BY BOARD**

The Board may, from time to time and at any time, appoint any other person to be a Director either to fill a casual vacancy or by way of addition to the Board. A Director so appointed shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall then be eligible for re-election.

### **92. NO DIRECTOR'S SHARE QUALIFICATION**

A Director shall not require a share qualification, but shall nevertheless be entitled to attend and speak at any General Meeting of, or at any separate Meeting of the holders of any class of shares in, the Company.

**93. DIRECTOR'S REMUNERATION**

There shall be available to be paid out of the funds of the Company to the Directors as fees in each year an aggregate sum not exceeding £750,000 as the Board may determine, such sum to be divided among such Directors in such proportion and manner as they may agree or, in default of agreement, equally provided that any such Director holding the office of Director for part of a year shall, unless otherwise agreed, be entitled only to a proportionate part of such fee. The Company may by ordinary resolution increase the amount of the fees payable under this Article. The provisions of this Article shall not apply to the remuneration of any Managing Director or Director holding executive office whose remuneration shall be determined in accordance with the provisions of Articles 102.1 and 102.4 or Article 95.

**94. DIRECTOR'S EXPENSES**

The Directors shall also be entitled to be repaid all travelling, hotel and other expenses properly incurred by them respectively in and about the performance of their duties as Directors, including their expenses of travelling to and from Board or committee or General Meetings.

**95. SPECIAL REMUNERATION**

The Board (or for the avoidance of doubt a committee of the Board if so authorised) may grant special remuneration to any member thereof who, being called upon, shall render any special or extra services to the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration (if any) as a Director, and may be payable by way of a lump sum participation in profits or otherwise as the Board (or any such committee) shall determine.

**POWER TO APPOINT A PRESIDENT OF THE COMPANY**

**96. POWER TO APPOINT A PRESIDENT OF THE COMPANY**

The Board shall have power to appoint any person deemed by the Board to be fit for such appointment to be the President of the Company and any person so appointed shall hold office for life or for such other lesser period as from time to time shall be determined by the Board. If the President is appointed otherwise than from among the Directors then, while he shall not be counted in the quorum at any meeting of the Board and shall not be entitled to vote on any matter decided at any such meeting or otherwise in any way to exercise any of the rights, privileges and powers of a Director, he shall be entitled to attend meetings of the Board although failure to give notice to the President of any such meeting shall not invalidate such meeting or any business transacted thereat.

**INTERESTS OF DIRECTORS**

**97. PERMITTED INTERESTS**

Subject to the Statutes and to these Articles, a Director, notwithstanding his office:

- 97.1 may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director and, subject to Section 188 of the Companies Act, on such terms as to remuneration and otherwise as the Board shall arrange. Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing herein contained shall authorise a Director or his firm to act as Auditor or Auditors of the Company;



- 97.2 may contract with the Company either as vendor, purchaser or otherwise and, subject to the interest of the Director concerned being duly declared as required by Article 98, any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested shall not be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established;
- 97.3 may hold office as a director or other officer of or be otherwise interested in any other company of which the Company is a member or in which the Company is otherwise interested and, unless otherwise agreed, shall not be liable to account to the Company for any remuneration or other benefits receivable by him as a director or officer of, or by virtue of his interest in, such other company;
- 97.4 shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office, employment, contract, arrangement, transaction or proposal or interest.

## **98. AUTHORISATION OF CONFLICTS**

Without prejudice to the requirements of the Statutes, a Director, including an alternate Director, who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Board. In the case of a proposed contract the declaration shall be made at the meeting of the Board at which the question of entering into the contract is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of the Board held after he became so interested. In a case where the Director becomes interested in a contract after it is made the declaration shall be made at the first meeting of the Board held after the Director becomes so interested. In a case where the Director is interested in a contract which has been made before he was appointed a Director the declaration shall be made at the first meeting of the Board held after he is so appointed. For the purposes of this Article a general notice given to the Board by a Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice be made with that company or firm, or he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him (within the meaning of Section 252 of the Companies Act) shall (if such Director shall give the same at a meeting of the Board or shall take reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given) be deemed a sufficient declaration of interest in relation to any contract so made. In this Article the expression "contract" shall be construed as including any transaction or arrangement, whether or not constituting a contract.

- 98.1 For the purposes of Articles 97 to 101, the interest of a person who is for the purposes of the Statutes connected (within the meaning of section 252 of the Companies Act) with a Director is treated as the interest of the Director and, in relation to an alternate director, the interest of the Director appointing him shall be treated as the interest of the alternate director in addition to any interest which the alternative director otherwise has. Articles 97 to 101 apply to an alternate director as if he were a Director otherwise appointed. For the purposes of these Articles, an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

- 98.2 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he or any person connected with him (within the meaning of Section 252 of the Companies Act) has any interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company or in respect of which he has any duty which conflicts with his duty to the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution in respect of which he is debarred from voting.
- 98.3 A Director shall (in the absence of some other interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely:
- 98.3.1 the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
  - 98.3.2 the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - 98.3.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting thereof;
  - 98.3.4 any proposal concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he (together with any person connected with him within the meaning of Section 252 of the Companies Act) is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
  - 98.3.5 any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes or which does not accord to any Director as such any privilege or benefit not accorded to the employees to which the scheme or fund relate;
  - 98.3.6 any contract, arrangement or proposal for the benefit of employees of the Group under which the Director benefits in a similar manner as the employees or which does not accord to any Director as such any privilege or benefit not accorded to the employees to which the scheme or fund relates;
  - 98.3.7 any proposal concerning insurance which the Company proposes to maintaining or purchase for the benefit of Directors or for the benefit persons including Directors.

## **99. CONSEQUENCES OF AUTHORISATION OF CONFLICTS**

The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

- 99.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
- 99.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of Article 99.1 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that the authorisation is only effective if:
- 99.3 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 interested director; and
- 99.4 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

## **100. DECLARATION OF DIRECTOR'S INTERESTS**

If a matter, or office, employment or position, has been authorised by the Directors in accordance with this Article then (subject to such terms and conditions, if any, as the Directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below):

- 100.1 the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- 100.2 the Director may absent himself from discussions, whether in meetings of the Directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position;
- 100.3 a Director shall not, by reason of his office as a Director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position.
- 100.4 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under Article 98.3.4) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

## **101. LIMITATIONS ON VOTING OF INTERESTED DIRECTORS**

If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be determined by a majority of votes of the remaining Directors present at the meeting and in the case of an equality of votes the Chair (unless he be the Director the materiality of whose interest or the entitlement of whom to vote shall be in issue) shall have a second or casting vote and their ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director

concerned have not been fairly disclosed and, pending such ruling, Article 98.2 shall apply to the Director in question.

## **MANAGING AND OTHER EXECUTIVE DIRECTORS**

### **102. APPOINTMENT, RETIREMENT AND TERMINATION OF APPOINTMENT OF MANAGING AND OTHER EXECUTIVE DIRECTORS, REMUNERATION AND POWERS OF EXECUTIVE DIRECTORS**

- 102.1 The Board may, from time to time, appoint one or more of its body to be the holder of any executive office, including the office of Managing or Joint or Assistant Managing Director or Chief Executive. Any such appointments shall be on such terms (including remuneration) and for such period as the Board (or for the avoidance of doubt a committee of the Board if so authorised) may determine.
- 102.2 The appointment of any Director to any executive office shall be capable of being terminated by the Board if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise; but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.
- 102.3 A Director holding any executive office shall receive such remuneration, whether in addition to or in substitution for his ordinary remuneration as a Director and whether by way of salary, commission, participation in profits or otherwise, as the Board (or for the avoidance of doubt a committee of the Board if so authorised) may determine.
- 102.4 The Board may entrust to and confer upon a Director holding any executive office any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 102.5 The Company shall not (and the Board shall exercise all voting and other rights and power of control exercisable by the Company in respect of its subsidiary companies so as to secure that none of its subsidiary companies shall) grant any contract of service to any such Managing Director or such other officer as is referred to in paragraph 102.1 of this Article or any proposed Managing Director or such other officer as aforesaid which does not expire or is not determinable within two years of the date of grant thereof without payment of compensation (other than statutory compensation) except with the previous sanction of the Company in General Meeting given in accordance with Section 188 of the Companies Act.

## **POWERS OF DIRECTORS**

### **103. GENERAL POWERS OF DIRECTORS**

The business of the Company shall be managed by the Board, which may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercisable and done by the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The general powers given by

this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

#### **104. LOCAL BOARDS ETC**

The Board may establish local boards or committees or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such local boards or committees or any managers or agents and may, subject to Article 93, fix their remuneration and may delegate to any local board, committee, manager or agent any of the powers, authorities and discretions vested in the Board (with power to sub-delegate) and may authorise the members of any local board or committee, or any of them, to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person so appointed and may annul or vary any such delegation; provided that in those cases where the powers of the Board are delegated to a committee which includes co-opted members who are not Directors, the number of such co-opted persons shall be less than one-half of the total number comprising the committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors; but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby and no person so appointed shall for any purpose be deemed to be a Director.

#### **105. ATTORNEYS**

The Board may from time to time and at any time by power of attorney under the Seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit and any such powers of attorney may contain such provisions whether for the protection and convenience of persons dealing with any such attorney or otherwise to sub-delegate all or any of the powers, authorities and discretions vested in him.

#### **106. FOREIGN SEAL**

The Company or the Board on behalf of the Company may exercise all the powers of the Company under Section 50, relating to official seals for use abroad, and any such seal shall be affixed by the authority and in the presence of, and the instrument sealed therewith shall be signed by, such persons as the Board shall from time to time by writing under the Seal appoint.

#### **107. PENSIONS, EMPLOYEES' SCHEMES ETC.**

107.1 The Board may establish, maintain, participate in or contribute to or procure the establishment, maintenance of, participation in or contribution to any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are or were at any time in the employment or service of the Company or any of its predecessors in business or of any company which is a holding company or a subsidiary of the Company or who may be or have been Directors or officers of the Company or of any such other company as aforesaid and who hold or have held executive positions or agreements for service with the Company or any such other company, and the wives, widows, families and dependants of any such persons. The Board may also establish, subsidise and

subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such person as aforesaid and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Any Director who holds or has held any such executive position or agreement for service shall be entitled to participate in and retain for his own benefit any such donations, gratuities, pensions, allowances, benefits or emoluments.

- 107.2 Subject to such approval by Members as shall be required by the Statutes, the Board may establish and maintain any employees' share scheme, share option or share incentive scheme whereby selected employees of the Company or of any company which is a subsidiary of the Company are given the opportunity of acquiring shares in the capital of the Company on the terms and subject to the conditions set out in such scheme and establish and (if any such scheme so provides) contribute to any scheme for the purchase by or transfer, allotment or issue to trustees of shares in the Company or its holding company to be held for the benefit of employees (including Directors and officers) of the Company and subject to the Statutes lend money to such trustees or employees to enable them to purchase such shares.

#### **108. EXECUTION OF NEGOTIABLE INSTRUMENTS**

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

### **PROVISION FOR EMPLOYEES ON CESSATION OF TRANSFER OF BUSINESS**

#### **109. PROVISION FOR EMPLOYEES ON CESSATION OF TRANSFER OF BUSINESS**

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

### **POWERS OF BORROWING AND MORTGAGING**

#### **110. POWER TO BORROW MONEY AND GIVE SECURITY AND RESTRICTION OF BORROWINGS**

- 110.1 Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets both present and future, including uncalled capital, and subject to the provisions of Section 551 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.
- 110.2 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 Subsidiary Undertakings so as to secure (as regards Subsidiary Undertakings so far as by such exercise they can secure) that the aggregate principal amount (including any premium payable on final repayment) for the time being remaining undischarged of all moneys borrowed by the Group shall not at any time without

the previous sanction of an ordinary resolution exceed a sum equal to 75 per cent. of the greater of

110.2.1 the current value of all assets of the Group; and

110.2.2 the book value of all assets of the Group.

110.3 For the purpose of this Article, the following (if not otherwise taken into account) shall be deemed to be moneys borrowed:

110.3.1 the principal amount outstanding in respect of any debentures of any member of the Group which are not beneficially owned within the Group;

110.3.2 the principal amount outstanding under any acceptance credit (not being an acceptance in relation to the purchase or sale of goods or services in the ordinary course of trading) opened by any bank or accepting house on behalf of or in favour of any member of the Group;

110.3.3 the nominal amount of any share capital and the principal amount of any debentures or other borrowed moneys of any person outside the Group the redemption or repayment of which is guaranteed or secured or is the subject of an indemnity given by any member of the Group and the beneficial interest in which redemption or repayment is not owned by a member of the Group;

110.3.4 any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account.

For the purpose of this Article the following (if not otherwise taken into account) shall not and shall be deemed not to be moneys borrowed:

110.3.5 all intra Group borrowings;

110.3.6 amounts borrowed for the purpose of re-paying within six months (with or without any premium) any moneys borrowed then outstanding, pending the application thereof for such purpose within such period;

110.3.7 the proportion of the excess outside borrowings of a partly owned Subsidiary Undertaking which corresponds to the proportion of its equity share capital owned otherwise than by members of the Group (and for the purpose of this sub-Article, the expression "excess outside borrowings" shall mean so much of the borrowings of such partly owned Subsidiary Undertaking otherwise than from members of the Group which exceeds the amount (if any) borrowed from it by other members of the Group);

110.3.8 amounts borrowed for the purpose of financing any contract in respect of which any part of the price receivable by any member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured;

110.3.9 temporary debit balances with the bankers of any member of the Group or shown in a member's own books of account arising by virtue of delay in clearing funds not exceeding 10 days;

110.3.10 for a period of 12 months after the date on which a company becomes a member of the Group, monies borrowed equal to the amount of borrowings outstanding of such a company at the date when it becomes a member;

110.3.11 moneys advanced or paid to any member of the Group (or its agents or nominees) by customers of any member of the Group as progress payments pursuant to any contract between such customer and a member of the Group in relation thereto;

110.3.12 moneys held by any member of the Group whether on deposit or current account or otherwise in connection with any scheme for the benefit of employees or their dependants; and

110.3.13 any outstanding convertible loan stock issued by any member of the Group;

provided that, in calculating borrowing under this Article there shall be credited against the amount of any monies borrowed the aggregate of:

110.3.14 cash in the hand of the Group; and

110.3.15 cash deposits and the balance on each current account of the Group with banks in the United Kingdom and/or elsewhere if the remittance of the cash to the United Kingdom is not prohibited by any law, regulation, treaty or official directive; and

110.3.16 the amount of all assets (“short term assets”) as might be included in “Investments - short term loans and deposits” in a consolidated balance sheet of the Group prepared as at the date of the relevant calculation in accordance with the principles with which the then latest audited balance sheet was produced; and

110.3.17 the amount of any cash or short term assets securing the repayment by the Group of any amount borrowed by the Group deposited or otherwise placed with the trustee, agent, lender or similar entity in respect of the relevant borrowing.

110.4 No lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed. No debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or would thereby be exceeded.

110.5 Borrowed moneys of the Company or any one or more of its Subsidiary Undertakings expressed in or calculated by reference to a currency other than Sterling shall be translated into Sterling by reference either to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if no such conversion was required or has yet taken place, by reference to the rate of exchange or approximate rate of exchange ruling on such date and determined on such basis as the Auditors may determine or approve.

## **111. POWER TO MORTGAGE AND GRANT OTHER SECURITIES**

The Board may mortgage or charge all or any part of the Company’s undertaking, property and uncalled capital and, subject to Section 551, may issue or sell any bonds, loan notes, debentures or other securities whatsoever for such purposes and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as it may think proper including a right for the holders of bonds, loan notes, debentures or other securities to exchange the same for shares in the Company of any class authorised to be issued.

## **ROTATION, RETIREMENT AND REMOVAL OF DIRECTORS**



## **112. VACATION OF OFFICE BY DIRECTORS**

The office of a Director shall be vacated if:

- 112.1 he ceases to be a Director by virtue of any provision of the Statutes or he becomes prohibited by law from being a Director; or
- 112.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 112.3 he is, or may be, suffering from mental disorder and either:
  - 112.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or
  - 112.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 112.4 he becomes physically or mentally incapable of performing the functions of a Director and the Board shall resolve that he be disqualified; or
- 112.5 in the case of a Director holding executive office subject to the terms of any contract between him and the Company he resigns his office by notice in Writing to the Company; or
- 112.6 he shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board shall resolve that his office be vacated; or
- 112.7 he shall be removed from office by notice in Writing served on him signed by all his co-Directors but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## **113. ALL OF THE DIRECTORS TO RETIRE**

- 113.1 At the Annual General Meeting all of the Directors shall retire from office and may offer themselves for reappointment by the Members.
- 113.2 A Director who retires at an Annual General Meeting can be reappointed by Members. Subject to Articles 113.3 and 113.4, if he is not reappointed (or deemed to be reappointed), he may remain a Director until the Meeting appoints someone in his place or, if it does not appoint anyone, until the end of the Meeting.
- 113.3 If:
  - 113.3.1 any resolution or resolutions for the appointment or reappointment of the persons eligible for appointment or reappointment as Directors are put to the Annual General Meeting and lost; and
  - 113.3.2 at the end of that Meeting the number of Directors is fewer than any minimum number of Directors required under Article 89, all retiring Directors who stood for reappointment at that meeting (the "**Retiring Directors**") shall have been reappointed as directors and shall remain in office, but the retiring directors:

- (a) may only act for the purposes of filling vacancies and convening a General Meeting and may only perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations; and
- (b) shall convene a General Meeting as soon as reasonably practical following the Meeting referred to in Article 113.4 and they shall retire from office at that Meeting if the number of Directors appointed or ratified by the Company at that Meeting is equal to or more than the minimum number of Directors required under Article 89.

113.4 If at the end of the General Meeting convened under Article 113.3.2 the number of Directors is fewer than any minimum number of Directors required under Article 89, the provisions of Article 113.3.2 (b) shall also apply in respect of such Meeting.

#### **114. REAPPOINTMENT OF RETIRING DIRECTORS**

The Company at the Meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such Meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the Meeting and lost.

#### **115. ELIGIBILITY FOR ELECTION AS DIRECTOR**

No person not being a Director retiring at the Meeting shall, unless recommended by the Board for election, be eligible for election to the office of Director at any General Meeting unless, not less than seven nor more than forty-two Clear Days before the day appointed for the Meeting, there shall have been given to the Secretary notice in writing by some Member duly qualified to be present and vote at the Meeting for which such notice is given of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected.

#### **116. INCREASE IN NUMBER OF DIRECTORS**

Subject to the provisions of these Articles, the Company may from time to time in General Meeting appoint new Directors and increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.

#### **117. REMOVAL OF DIRECTORS**

Without prejudice to the power of the Company under Section 168 of the Companies Act to remove a Director before the expiration of his period of office by ordinary resolution, the Company may by special resolution remove any Director before the expiration of his period of office, and may by ordinary resolution appoint another Director in his place. A person appointed in place of a Director so removed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

#### **118. RESOLUTIONS APPOINTING DIRECTORS**

Every resolution of a General Meeting for the appointment or election of a Director shall relate to one named person and a single resolution for the appointment or election of two or more persons as Directors shall be void, unless a resolution that it shall be so moved has first been agreed to by the Meeting without any vote being given against it.

## **PROCEEDINGS OF THE BOARD**

### **119. BOARD MEETINGS**

The Board or any committee of the Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit, and determine the quorum necessary (being at least two Directors) for the transaction of business. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. Meetings of the Board or of any committee of the Board may take place in any part of the world and may take place via telephonic or similar means of communication notwithstanding that the Directors or committee members present may not all be meeting in one particular place. Unless otherwise determined, two Directors shall be a quorum. For the purposes of this Article an alternate Director shall be counted in a quorum but so that not less than two persons shall constitute the quorum.

### **120. NOTICE OF BOARD MEETINGS**

A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Board. It shall be necessary to give notice (which need not be in Writing) of a meeting of the Board to all the Directors. Notwithstanding the foregoing neither the accidental failure to give notice of a meeting of the Board to any Director nor the non-receipt in any case of such notice if given shall invalidate such meeting or any resolution passed or business transacted thereat.

### **121. VOTES AT BOARD MEETING**

Questions arising at any meeting of the Board or any committee of the Board shall be decided by a majority of votes. In the case of an equality of votes the Chair shall have a second or casting vote.

### **122. CHAIR**

The Board or any committee of the Board may from time to time elect a Chair or Deputy-Chair, who shall preside at its meetings, but if no such Chair or Deputy-Chair be elected, or if at any meeting the Chair or Deputy-Chair is not present within five minutes after the time appointed for holding the same, the Board or committee shall choose one of its number to be Chair of such meeting.

### **123. COMMITTEES**

123.1 The Board may delegate any of its powers, including authority to affix the Seal to any document, to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of Directors.

123.2 Any committee shall have power, unless the Board directs otherwise, to co-opt as a member or members of the committee for a specific purpose any person or persons not being members of the Board or of the Company provided that no person shall be co-opted pursuant to this Article if as a result of his appointment the number of persons so co-opted would be equal to or greater than the number of members of such committee who are Directors and no resolution passed at a

meeting of such committee shall be effective unless a majority of the members of such committee present at the meeting are Directors.

**124. VALIDITY OF DIRECTOR'S ACTS NOTWITHSTANDING FORMAL DEFECTS**

All acts bona fide done by any meeting of the Board or of a committee of the Board or by any person acting as a Director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid or that they or any of them were disqualified or had ceased to be Directors or a Director, be as valid as if every such person had been duly appointed and was qualified to be and had continued to be a Director.

**125. MINUTES**

The Board shall cause proper minutes to be made of all General Meetings and also of all appointments of officers and of the proceedings of all meetings of the Board and committees of the Board and of the attendances thereat and all business transacted at such meetings and any such minutes of any meeting, if purporting to be signed by the Chair of such meeting, or by the Chair of the next succeeding meeting of the Company or of the Board or committee, shall be conclusive evidence without any further proof of the facts therein stated.

**126. RETENTION OF MINUTES**

Minutes shall be retained for at least 10 years from the date of the appointment or meeting and shall be kept available for inspection in accordance with the Companies Act.

**127. RESOLUTIONS IN WRITING**

A resolution in Writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board shall be as effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors and so that any such resolution or document signed by an alternate Director shall be deemed to have been signed by the Director who appointed such alternate Director.

**128. POWERS OF DIRECTORS WHEN INQUORATE**

The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in their body but if and so long as the number of Directors is reduced below the number fixed by or pursuant to these Articles as the quorum of Directors, the continuing Directors or Director may act for the purpose of filling up vacancies in their body or of summoning General Meetings, but not for any other purpose.

**129. OVERSEAS BRANCH REGISTER**

129.1 The Company may require to be kept in any other country an overseas branch register of Members resident there, which the Board may amend and vary such provisions as it considers appropriate regarding the keeping of any such register.

129.2 For the Members registered on that overseas branch register information can be sent from the Company or from the United Kingdom to that country.

129.3 The Company, may be sending written notice to the Member require evidence to satisfy that the Member is resident in that particular country. If following the written notice evidence is not supplied to the Company within 28 days, or the Company is not satisfied that the evidence show

that the Member is resident in that country the Company may remove that Member from the overseas branch register, and register that Member in the register of Members. If the Company does so, it will send notice to that Member.

## **ALTERNATE DIRECTORS**

### **130. ALTERNATE DIRECTORS**

A Director may from time to time in Writing under his hand appoint another Director or any other person including a person appointed as alternate for any other Director to be his alternate but no such appointment of any person not being a Director shall be operative unless and until approved by the Board. Every such alternate shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to notice of meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to have and exercise all the powers, rights, duties and authorities of the Director appointing him. Every such alternate shall also be entitled in the absence of the Director appointing him to sign on his behalf a resolution in Writing of the Directors. The remuneration of an alternate shall be payable out of the remuneration payable to the Director appointing him and shall consist of such portion (if any) of the last mentioned remuneration as shall be agreed between such alternate and the Director appointing him. A Director may by Writing under his hand deposited at the Office at any time revoke the appointment of an alternate appointed by him. If a Director dies or ceases to hold the office of Director the appointment of his alternate shall thereupon cease and determine provided that if any Director retires at any Meeting (whether by rotation or otherwise) but is re-appointed by the Meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not so retired. An alternate Director shall not be deemed to be the agent of his appointor but shall be deemed to be an officer of the Company. Notwithstanding the foregoing, unless he is already an officer of the Company in his own right, an alternate Director shall not, as such, have any rights or powers other than those mentioned in this Article.

## **ASSOCIATE DIRECTORS**

### **131. ASSOCIATE DIRECTORS**

- 131.1 The Board may from time to time appoint any person to be an Associate Director of the Company.
- 131.2 The appointment of a person to be an Associate Director shall not, save as otherwise agreed between him and the Company and the subsidiary (if any) in whose service he may be, affect the terms and conditions of his employment by the Company or by any such subsidiary, whether as regards duties remuneration, pension or otherwise.
- 131.3 The appointment, removal and the powers, duties and remuneration of an Associate Director shall be determined by the Board and the Board shall have the right to enter into any contract on behalf of the Company or transact any business of any description without the knowledge or approval of Associate Directors, except that no act shall be done that would impose any personal liability on any or all of the Associate Directors except with his or their knowledge and consent.
- 131.4 An Associate Director shall not be nor have power to act as a Director nor be entitled to receive notice of or attend or vote at meetings of the Directors nor shall he be deemed to be a Director for any of the purposes of these Articles.

## **THE SEAL**

### **132. AFFIXING OF THE SEAL**

The Seal shall only be used by the authority of the Board or of a committee authorised by the Board in that behalf and, unless otherwise decided by the Board or any such committee, any document to which the Seal is applied must also be signed by at least one authorised person in the presence of a witness who attests the signature. For the purposes of this Article, an authorised person is any Director, the Company Secretary or any person authorised by the Board or such committee for the purpose of signing documents to which the Seal is applied.

## **SECRETARY**

### **133. SECRETARY**

The Board shall from time to time appoint and may remove a Secretary or Joint Secretaries who shall be qualified in accordance with the provisions of the Statutes and may appoint and remove one or more Assistant Secretaries.

### **134. POWERS OF OTHER OFFICERS TO ACT**

Anything by the Statutes or these Articles required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any joint assistant or deputy Secretary or, if there is no joint assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board provided that any provision of the Companies Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## **AUTHENTICATION OF DOCUMENTS**

### **135. AUTHENTICATION OF DOCUMENTS**

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board or any committee of the Board and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a Meeting of the Company or of the Board or any committee of the Board which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes are, or extract is, a true and accurate record of proceedings at a duly constituted General Meeting or meeting of the Board or any committee of the Board.

## **REGISTERS**

### **136. REGISTERS**

The register of Directors and Secretaries, the register of charges, the Register, the register of interests in shares, any overseas branch register and all other associated registers and indices shall be kept in accordance with the Statutes and shall be open to the inspection of any Member or of

any other person without charge between the hours of 10 a.m. and noon on each day during which the same is bound to be open for inspection pursuant to the Statutes.

## **DIVIDENDS**

### **137. PAYMENT OF DIVIDENDS**

Subject to any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company available for dividend in accordance with the Statutes which it shall from time to time determine to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company to the Members at the date of record in accordance with their respective rights and priorities.

### **138. APPORTIONMENT OF DIVIDENDS**

All dividends shall be apportioned and paid proportionately to the amounts Paid Up on the shares otherwise than amounts Paid Up in advance of calls during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

### **139. DECLARATION OF DIVIDENDS AND INTERIM DIVIDENDS**

139.1 The Company in General Meeting may from time to time declare dividends but no such dividends shall (except as by the Statutes expressly authorised) be payable otherwise than out of the profits of the Company available for the purpose in accordance with the Statutes. No higher dividend shall be paid than is recommended by the Board and the declaration of the Board as to the amount of the profits at any time available for dividend shall be conclusive.

139.2 Subject to the provisions of the Statutes, the Board may if it thinks fit from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and the Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if it is of the opinion that the profits justify the payment provided the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.

### **140. RECORD DATE**

Notwithstanding any other provision of these Articles, the Board may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

### **141. PAYMENT OF DIVIDENDS IN SPECIE**

With the sanction of a General Meeting, dividends may be paid wholly or in part in specie and may be satisfied in whole or in part by the distribution amongst Members in accordance with the rights of fully Paid Up shares, debentures or other securities of the Company or of any other

company or of any other property suitable for distribution as aforesaid provided that no distribution shall be made which would amount to a reduction of capital except in the manner approved by law. The Board shall have full liberty to make all such valuations, adjustments and arrangements and to issue all such certificates or documents of title as may in its opinion be necessary or expedient with a view to facilitating the equitable distribution amongst the Members of any dividends or portions of dividends to be satisfied as aforesaid or to giving them the benefit of their proper shares and interests in the property and no valuation, adjustment or arrangement so made shall be questioned by any Member.

## **142. METHOD OF PAYMENT OF DIVIDENDS**

- 142.1 Any dividend, instalment of dividend or interest or other moneys payable in cash in respect of any share may be paid by bank transfer or transfer by any electronic means or such other means as the Directors may decide to an account (of a type approved by the Directors) nominated by the Member or person entitled thereto and in the case of joint holders any one of such joint holders in writing or in such other manner as the Directors may decide, by cheque or warrant payable to the order of the Member entitled thereto or (in the case of joint holders) of that Member whose name stands first on the Register in respect of the joint holding. In respect of uncertificated shares, where the Company is authorised to do so by or on behalf of the holder or joint holder in such a manner as the Board shall from time to time consider sufficient. Different methods of payment may apply to different members or different groups of Members. Every such cheque or warrant shall (unless otherwise directed) be sent by post to the last registered address of the Member entitled thereto and payment of the cheque or warrant shall be a good discharge to the Company for the same. In respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company. Every such cheque or warrant or similar financial instrument or payment made by a relevant system or bank transfer or transfer by any electronic means or other means shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of the cheque or warrant or payment made by a relevant system or bank transfer or transfer by any electronic or other means shall be a good discharge to the Company. If cheques or warrants in respect of dividends are returned undelivered or are left uncashed on two consecutive occasions or, having been returned undelivered or left uncashed on one occasion and the Board, on making reasonable enquiries, has failed to establish any new address of the Member or person concerned then the Board may determine that the Company shall cease sending such cheques or warrants by post to the Member or person concerned. The Company may, if so directed, pay any dividend, instalment of dividend or interest or other moneys as aforesaid by credit transfer to a bank account nominated by the Member entitled to such payment which transfer shall be a good discharge to the Company for the same. Every such cheque or warrant shall be sent and every credit transfer made at the risk of the person entitled to the money represented thereby. No unpaid dividend or interest shall bear interest as against the Company.
- 142.2 In respect of uncertificated shares, every such payment or delivery of electronic tax vouchers made by means of the relevant system concerned shall be made in such manner as may be consistent with the facilities and requirements of the relevant system concerned. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or



joint holders or, if permitted by the Company, of such person as the holder or joint holders may by notice direct.

#### **143. DEDUCTIONS FROM DIVIDENDS**

The Board may deduct from any dividend or other moneys payable in respect of any shares held by a Member, either alone or jointly with any other Member, all such sums of money (if any) as may be due and payable by him either alone or jointly with any other person to the Company on account of calls or otherwise in respect of shares of the Company.

#### **144. UNCLAIMED DIVIDENDS**

All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the payment of any such dividend into a separate account or the investment of such dividend shall not constitute the Company a trustee in respect thereof. No unclaimed dividend shall bear interest as against the Company. Any dividend which has remained unclaimed for a period of twelve years from the date of declaration thereof shall at the expiration of that period be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely.

#### **145. WITHHOLDING OF DIVIDENDS**

Subject to Article 41.3, the Board may, in its absolute discretion, withhold the payments of any dividend to a Member in respect of any share held by him in relation to which he or any other person has been duly served with a notice under Section 793 of the Companies Act (or under any other statutory provision or provision of these Articles for the time being in force enabling the Company by notice in Writing to require any person to give any information regarding that share).

#### **146. SCRIP DIVIDENDS**

The Board may, if authorised by an ordinary resolution of the Company, offer any holders of ordinary shares the right to elect to receive ordinary shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

- (i) an ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared or paid within a specified period, but such period may not end later than the fifth anniversary of the date of the meeting at which the ordinary resolution is passed;
- (ii) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but no greater than) the cash amount of the dividend that such holder elects to forgo. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ordinary shares as derived from the Daily Official List, on the day on which the ordinary shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the Auditors may rely on advice or information from brokers or other sources of information as they think fit;

- (iii) no fraction of any ordinary share shall be allotted. The Board may make such provision as it thinks fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such member of fully paid ordinary shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;
- (iv) the Board, if it intends to offer an election in respect of any dividend, shall give notice to the holders of ordinary shares of the right of election offered to them, and specify the procedure to be followed which, for the avoidance of doubt, may include an election by means of a relevant system (as defined in the Uncertificated Securities Regulations) and the place at which, and the latest time by which, elections must be lodged in order for elections to be effective;
- (v) the Board shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (vi) the Board may exclude from any offer or make other arrangements in relation to any holders of ordinary shares where the Board believes that such exclusion or arrangement is necessary or expedient in relation to legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory, or the Board believes that for any other reason the offer should not be made to them;
- (vii) the dividend (or that part of the dividend in relation of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (for the purposes of this Article “the elected ordinary shares”) and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated. For such purpose, but subject always to the restrictions of Article 147, the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the revenue account) whether or not the same is available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis;
- (viii) the additional ordinary shares when allotted shall rank *pari passu* in all respects with the fully-paid ordinary shares then in issue except that they will not be entitled to participation in the relevant dividend;
- (ix) unless the Board otherwise determines, or unless the Uncertificated Securities Regulations and/or the rules of the relevant system concerned otherwise require, the new ordinary share or shares which a member has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared or paid in respect of his elected ordinary shares shall be in uncertificated form (in respect of the member’s elected ordinary shares which were in uncertificated form on the date of the member’s election) and in certificated form (in respect of the member’s elected ordinary shares which were in certificated form on the date of the member’s election); and

- (x) the Board may also from time to time establish or vary a procedure for election mandates, which, for the avoidance of doubt, may include an election by means of a relevant system, under which a holder of ordinary shares may elect in respect of future rights of election offered to that holder under this Article until the election mandate is revoked in accordance with the procedure; and
- (xi) notwithstanding the foregoing, the Board may at any time prior to payment of the relevant dividend determine, if it appears to them desirable to do so because of a change in circumstances, that the relevant dividend shall be payable wholly in cash after all and if they so determine then all elections made shall be disregarded. The relevant dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be listed in the Official List of the UK Listing Authority at any time prior to the due date of issue of the additional shares or if the listing is suspended and not reinstated by the date immediately preceding the due date of such issue.

## **RESERVES**

### **147. RESERVES**

The Board may before recommending any dividend set aside out of the profits of the Company (including any premiums received upon the issue of debentures or other securities or rights of the Company) such sums as it thinks proper as a reserve fund or reserve funds which shall at the discretion of the Board be applicable for any purpose for which the profits of the Company may lawfully be applied and pending such application the Board may employ the sums from time to time set apart as aforesaid in the business of the Company or invest the same in such securities (other than the shares of the Company or its holding company) as it may select. The Board may also from time to time carry forward such sums as it may deem expedient in the interests of the Company not to distribute.

## **CAPITALISATION OF PROFITS AND RESERVES**

### **148. POWER TO CAPITALISE PROFITS**

The Company may by ordinary resolution on the recommendation of the Board resolve that it is desirable to capitalise:

- 148.1 any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the Members in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such Members respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully Paid Up to and amongst such Members in the proportions aforesaid or partly in one way and partly in the other provided that a sum standing to the credit of a share premium account or a capital redemption reserve may, for the purposes of this Article, only be applied in the paying up of unissued shares to be allotted to Members as fully paid capitalisation shares; and/or

148.2 any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full, unissued shares to be allotted as fully paid capitalisation shares to those Members who would have been entitled to that sum if it were distributed by way of dividend (and in the same proportions) and the Directors shall give effect to any such resolution.

#### **149. PROCEDURE ON CAPITALISATION OF RESERVES**

Whenever such a resolution as aforesaid is passed, the Board shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Board to make such provision by the issue of certificates in respect of fractional entitlements or by payment in cash or otherwise as it thinks fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members interested into any agreement with the Company providing for the allotment to them respectively credited as fully Paid Up of any further shares to which they may be entitled upon such capitalisation and any agreement made under such authority shall be effective and binding on all such Members.

### **ACCOUNTS**

#### **150. KEEPING OF ACCOUNTS**

The Board shall cause proper accounts and accounting records to be kept and the provisions of the Statutes in this regard shall be complied with. The books of account and accounting records shall be kept at the Office or subject to Section 388 of the Companies Act, at such other place or places as the Board thinks fit and shall always be open to the inspection of any Director.

#### **151. INSPECTION OF ACCOUNTS**

The Board shall from time to time determine whether in any particular case or class of cases or generally and to what extent and at what times and places and under what conditions or regulations (subject to the provisions of the Statutes) the accounts and books of the Company or any of them, shall be open to the inspection of Members, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by Statute, by order of the court or authorised by the Board or by a resolution of the Company in General Meeting.

#### **152. STATUTORY OBLIGATIONS AS TO ACCOUNTS**

The Board shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, Group accounts (if any) and reports as are referred to in the Statutes.

#### **153. CIRCULATION OF ACCOUNTS**

153.1 Subject to the Statutes, either:

- (i) a printed copy of every Directors' report and Auditor's report accompanied by the balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be attached or annexed thereto) (together "the Accounts"); or

- (ii) a summary of financial statements prepared in accordance with Section 426 and 428 of the Companies Act

shall not less than twenty-one days before the date of the Meeting be delivered or sent to every shareholder and to every holder of debentures of the Company and to every other person who is entitled to receive notices of Meetings from the Company under the provisions of the Statutes or of these Articles provided that this Article shall not require a copy of such documents to be sent to any person to whom by virtue of Section 423 of the Companies Act the Company is not required to send the same nor to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures; but any Member or debenture holder to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

- 153.2 Whenever all or any of the shares in or debentures of the Company are listed or dealt in on any Stock Exchange in the United Kingdom there shall at the same time be forwarded to the appropriate officer of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.
- 153.3 The accidental omission to deliver or send a copy of any document required to be delivered or sent to any person pursuant to this Article 153 or the non-receipt by any person entitled to receive the same shall not invalidate any such document or any resolution passed or proceeding held at any General Meeting or Annual General Meeting.

#### **154. ACCURACY OF ACCOUNTS**

Every account of the Company, when audited and approved by an Annual General Meeting, shall be conclusive.

### **AUDIT**

#### **155. ANNUAL AUDIT**

In accordance with the requirements of the Statutes the accounts of the Company shall be examined and the truth and fairness of the balance sheet, profit and loss account and Group accounts (if any) reported on by an Auditor or Auditors.

#### **156. AUDITORS**

Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

#### **157. AUDITORS' REPORT**

The Auditors' report shall be read before the Company in General Meeting and shall be open to inspection as required by the Statutes. The Auditor or Auditors shall be entitled to attend any General Meeting and to receive notices of and other communications relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him or them as Auditor or Auditors.

### **UNTRACED MEMBERS**

## **158. SALE OF SHARES OF UNTRACED MEMBERS**

- 158.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:
- 158.1.1 the shares have been issued as either certificated shares or CREST shares; at least three dividends in respect of the shares in question have become payable; and no dividend has been cashed during that period or satisfied through the transfer of funds to a bank account or through CREST; and
- 158.1.2 the Company has sent a notice of its intention to sell the said shares to the Company's last known address for the Member or to the address at which the Company can give notice under these Articles; and
- 158.1.3 for the period of three months following the sending of the notice the Company shall not have received indication, either of the whereabouts or of the existence of such Member or such person.
- 158.2 To give effect to any such sale the Company may, in relation to certificated shares, appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. In relation to uncertificated shares, in accordance with the Statutes, the Company may issue a written notification to the operator of the relevant system requiring conversion of the shares into certificated form and exercise any of the Company's powers under Article 13.3 to effect the transfer of the shares to, or in accordance with the directions of, the purchaser and the exercise of such powers shall be as effective as if exercised by the registered holder of, or person entitled by transmission to, such shares, and the transferee is not bound to see to the application of the purchase money and the title of the transferee is not affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

## **NOTICES**

### **159. SERVICE OF NOTICES ON MEMBERS**

A notice or other document or information to be sent to or by any person under these Articles shall be in writing (other than a notice calling a meeting of the Board or of a committee of the Board which need not be in writing). A notice or other document or information may be given, sent or supplied to a Member or other person by the Company by placing it on a website and sending the Member or other person concerned notification of the availability of the notice, document or information on the website, where the Member or other person has agreed, or is taken to have agreed, to having such notices, documents or information sent to him in such manner.

## **160. NOTICES TO JOINT HOLDERS**

All notices directed to be given to the Members shall with respect to any share to which persons are jointly entitled be given to whichever of such persons is named first in the Register, and notice given shall be sufficient notice to all the holders of such share.

## **161. ADDRESS FOR SERVICE OF NOTICES**

Any Member described in the Register by an address not within the United Kingdom who shall from time to time give the Company an address within the United Kingdom (or an electronic address) at which notices may be served upon him shall be entitled to have notices served upon him at such address, but otherwise no such Member shall be entitled to receive any notice from the Company.

## **162. SERVICE OF NOTICES ON COMPANY**

Any summons, notice, order or other document required to be sent to or served upon the Company or upon any officer of the Company may be sent or served by leaving the same or sending it through the post in a prepaid registered letter addressed to the Company or to such officer, at the Office.

## **163. DATE OF SERVICE**

163.1 Any notice, document or other information:

163.1.1 if sent by the Company by post or other delivery service shall be deemed to have been received on the day (whether or not it is a working day) following the day (whether or not it was a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the notice, document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;

163.1.2 if sent by the Company by electronic means in accordance with the Statutes shall be deemed to have been received on the same day that it was sent, and proof that it was sent in accordance with guidance issued by the Chartered Governance Institute shall be conclusive evidence that it was sent;

163.1.3 if made available on a website in accordance with the Statutes shall be deemed to have been received when notification of its availability on the website is deemed to have been received or, if later, when it is first made available on the website;

163.1.4 not sent by post or other delivery service but delivered personally or left by the Company at the address for that Member on the Register shall be deemed to have been received on the day (whether or not it was a working day) and at the time it was so left;

163.1.5 sent or delivered by a relevant system shall be deemed to have been received when the Company (or a sponsoring system-participant acting on its behalf) sends the issuer instructions relating to the notice, document or information;

163.1.6 sent or supplied by the Company by any other means agreed by the Member concerned shall be deemed to have been received when the Company has duly performed the action it has agreed to take for that purpose; and

163.1.7 to be given by the Company by advertisement shall be deemed to have been received on the day on which the advertisement appears.

**164. A MEMBER PRESENT AT A MEETING SHALL BE DEEMED TO HAVE RECEIVED DUE NOTICE**

Any Member present, either personally or by proxy, at any general meeting of the Company or of the holders of any class of shares in the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called.

**165. NOTICES TO DEAD OR BANKRUPT MEMBERS**

Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

**166. PUBLICATION OF NOTICES IN NEWSPAPERS IN THE EVENT OF A POSTAL STRIKE**

Subject to the Companies Act, 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, the Board may, if it thinks fit and as an alternative to any other method of service permitted by these Articles, send notice of the meeting to Members affected by the suspension or curtailment by a notice advertised in at least two United Kingdom national daily newspapers and such notice or other document or information shall be deemed to have been duly received by affected Members who are entitled to receive it at 12 noon on the day when the advertisement appears, or at 12 noon on the last of the days when they appear. In any such case the Company shall send confirmatory copies of the notice or other document or information by post or by electronic means, as appropriate, to such affected Members if at least five days prior to the meeting, or any other appropriate date in connection with the document or information, the posting of notices or other documents or information again becomes practicable.

**WINDING UP**

**167. WINDING UP**

If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision or by the Court) the Liquidator may, with the authority of a special resolution and subject to any provision sanctioned in accordance with Section 247 (without prejudice to Section 187 of the Insolvency Act 1986), divide among the Members in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purposes set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator, with the like authority, shall think fit and the liquidation of the Company may be closed and the Company dissolved, but so that no Member shall be compelled to accept any shares in respect of which there is a liability. Without prejudice to Section 187 of the Insolvency



Act 1986, the Liquidator may make any provision referred to in and sanctioned in accordance with Section 247.

## **INDEMNITY**

### **168. INDEMNIFICATION OF DIRECTORS AND OTHER OFFICERS**

- 168.1 Subject to the provisions of, and so far as may be permitted by, the Companies Act, every Director, Auditor, Secretary or other officer of the Company, or director of any associated company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour, or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part, or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted by the Court.
- 168.2 Subject to the provisions of, and so far as may be permitted by, the Statutes, the Company may indemnify to any extent any person who is or was a director of an associated company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company's activities as trustee of an occupational pension scheme.
- 168.3 Subject to the provisions of and so far as may be permitted by the Statutes, the Company shall be entitled to purchase and maintain for any such Director, Auditor, Secretary or other officer, or director of any associated company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to the Company.

## **REAL ESTATE INVESTMENT TRUST**

### **169. CARDINAL PRINCIPLE**

- 169.1 It is a cardinal principle that, for so long as the Company is the principal company in a real estate investment trust (“**REIT**”) for the purposes of Part 12 of the CTA 2010, as such Part may be modified, supplemented or replaced from time to time, no member of the Group should be liable to pay tax under section 551 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution.
- 169.2 These Articles 169 to 175 (inclusive) support such cardinal principle by, among other things, imposing restrictions and obligations on the shareholders of the Company and, indirectly, certain other Persons who may have an interest in the Company, and shall be construed accordingly so as to give effect to such cardinal principle.

### **170. DEFINITIONS AND INTERPRETATION**

- 170.1 For the purposes of Articles 169 to 175, the following words and expressions shall bear the following meanings:
- “**Business Day**” means a day (not being a Saturday or Sunday) on which banks are normally open for business in London;

**“CTA 2010”** means the Corporation Tax Act 2010, as modified, supplemented or replaced from time to time;

**“Distribution”** means any dividend or other distribution on or in respect of the shares of the Company (Distribution being construed in accordance with Part 23 of the CTA 2010) and references to a Distribution being paid include a distribution not involving a cash payment being made;

**“Distribution Transfer”** means a disposal or transfer (however effected) by a Person of his rights to a Distribution from the Company such that he is not beneficially entitled (directly or indirectly) to such a Distribution and no Person who is so entitled subsequent to such disposal or transfer (whether the immediate transferee or not) is (whether as a result of the transfer or not) a Substantial Shareholder;

**“Distribution Transfer Certificate”** means a certificate in such form as the Directors may specify from time to time to the effect that the relevant Person has made a Distribution Transfer, which certificate may be required by the Directors to satisfy them that a Substantial Shareholder is not beneficially entitled (directly or indirectly) to a Distribution;

**“Excess Charge”** means, in relation to a Distribution which is paid or payable to a Person, all tax or other amounts which the Directors consider may become payable by the Company or any other member of the Group under section 551 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) and any interest, penalties, fines or surcharge attributable to such tax as a result of such Distribution being paid to or in respect of that Person;

**“Group”** means the Company and the other companies in its group for the purposes of section 606 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time);

**“HMRC”** means HM Revenue & Customs;

**“interest in the Company”** includes, without limitation, an interest in a Distribution made or to be made by the Company;

**“Person”** includes a body of Persons, corporate or unincorporated, wherever domiciled;

**“Relevant Registered Shareholder”** means a shareholder who holds all or some of the shares in the Company that comprise a Substantial Shareholding (whether or not that shareholder is a Substantial Shareholder);

**“Reporting Obligation”** means any obligation from time to time of the Company to provide information or reports to HMRC as a result of or in connection with the Company’s status as a REIT or the principal company in a group UK REIT;

**“Substantial Shareholder”** means any person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause any member of the Group to be liable to pay tax under section 551 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such Person including, at the date of adoption of this Article, any holder of excessive rights as defined in section 553 of the CTA 2010; and

**“Substantial Shareholding”** means the shares in the Company in relation to which or by virtue of which (in whole or in part) a Person is a Substantial Shareholder;

170.2 Where under these Articles any certificate or declaration may be or is required to be provided by any Person (including, without limitation, a Distribution Transfer Certificate), such certificate or declaration may be required by the Directors (without limitation):

- (a) to be addressed to the Company, the Directors or such other Persons as the Directors may determine (including HMRC);
- (b) to include such information as the Directors consider is required for the Company to comply with any Reporting Obligation;
- (c) to contain such legally binding representations and obligations as the Directors may determine;
- (d) to include an undertaking to notify the Company if the information in the certificate or declaration becomes incorrect, including prior to such change;
- (e) to be copied or provided to such Persons as the Directors may determine (including HMRC); and
- (f) to be executed in such form (including as a deed or deed poll) as the Directors may determine.

170.3 This Article shall apply notwithstanding any provisions to the contrary in any other Article (including, without limitation, Articles 137 to 146 (Dividends)).

## **171. NOTIFICATION OF SUBSTANTIAL SHAREHOLDER AND OTHER STATUS**

171.1 Each shareholder and any other relevant Person shall serve notice in writing on the Company at the Registered Office on:

- (a) the shareholder or Person becoming a Substantial Shareholder or him being a Substantial Shareholder on the date this Article comes into effect (together with the percentage of voting rights, share capital or dividends he controls or is beneficially entitled to, details of the identity of the shareholder(s) who hold(s) the relevant Substantial Shareholding and such other information, certificates or declarations as the Directors may require from time to time);
- (b) the shareholder or Person becoming a Relevant Registered Shareholder or being a Relevant Registered Shareholder on the date this Article comes into effect (together with such details of the relevant Substantial Shareholder and such other information, certificates or declarations as the Directors may require from time to time); and
- (c) any change to the particulars contained in any such notice, including on the relevant Person ceasing to be a Substantial Shareholder or a Relevant Registered Shareholder.

Any such notice shall be delivered by the end of the second Business Day after the day on which the Person becomes a Substantial Shareholder or a Relevant Registered Shareholder (or the date this Article comes into effect, as the case may be) or the change in relevant particulars or within such shorter or longer period as the Directors may specify from time to time.

171.2 The Directors may at any time give notice in writing to any Person requiring him, within such period as may be specified in the notice (being seven days from the date of service of the notice or such shorter or longer period as the Directors may specify in the notice), to deliver to the Company at the Registered Office such information, certificates and declarations as the Directors may require to establish whether or not he is a Substantial Shareholder or a Relevant Registered

Shareholder or to comply with any Reporting Obligation. Each such Person shall deliver such information, certificates and declarations within the period specified in such notice.

## **172. DISTRIBUTIONS IN RESPECT OF SUBSTANTIAL SHAREHOLDINGS**

172.1 In respect of any Distribution, the Directors may, if the Directors determine that the condition set out in Article 172.2 is satisfied in relation to any shares in the Company, withhold payment of such Distribution on or in respect of such shares. Any Distribution so withheld shall be paid as provided in Article 172.3 and until such payment the Persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment.

172.2 The condition referred to in Article 172.1 is that, in relation to any shares in the Company and any Distribution to be paid or made on and in respect of such shares:

- (a) the Directors believe that such shares comprise all or part of a Substantial Shareholding of a Substantial Shareholder;
- (b) the Directors are not satisfied that such Substantial Shareholder would not be beneficially entitled to the Distribution if it was paid; and
- (c) the Directors are not satisfied that no member of the Group will be liable to an Excess Charge on, or in connection with, the making of the Distribution to, or in respect of, the Substantial Shareholder

and, for the avoidance of doubt, if the shares comprise all or part of a Substantial Shareholding in respect of more than one Substantial Shareholder this condition is not satisfied unless it is satisfied in respect of all such Substantial Shareholders.

172.3 If a Distribution has been withheld on or in respect of any shares in the Company in accordance with Article 172.1, it shall be paid as follows:

- (a) if it is established to the satisfaction of the Directors that the condition in Article 172.2 is not or is no longer satisfied in relation to such shares, in which case the whole amount of the Distribution withheld shall be paid; and
- (b) if the Directors are satisfied that sufficient interests in all or some of the shares concerned have been transferred to a third party so that such transferred shares no longer form part of the Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid (provided the Directors are satisfied that following such transfer such shares concerned do not form part of a Substantial Shareholding); and
- (c) if the Directors are satisfied that as a result of a transfer of interests in shares referred to in (b) above the remaining shares no longer form part of a Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid.

In this Article 172.3, references to the “transfer” of a share include the disposal (by any means) of beneficial ownership of, control of voting rights in respect of and beneficial entitlement to dividends in respect of, that share.

172.4 A Substantial Shareholder may satisfy the Directors that the Substantial Shareholder is not beneficially entitled to a Distribution by providing a Distribution Transfer Certificate. The Directors shall be entitled to (but shall not be bound to) accept a Distribution Transfer Certificate as evidence of the matters therein stated and the Directors shall be entitled to require such other information, certifications or declarations as they think fit.

- 172.5 The Directors may withhold payment of a Distribution on or in respect of any shares in the Company if any notice given by the Directors pursuant to Article 171.2 in relation to such shares shall not have been complied with to the satisfaction of the Directors within the period specified in such notice. Any Distribution so withheld will be paid when the notice is complied with to the satisfaction of the Directors unless the Directors withhold payment pursuant to Article 172.1 and until such payment the Persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment.
- 172.6 If the Directors decide that payment of a Distribution should be withheld under Articles 172.1 or 172.5, they shall within five Business Days give notice in writing of that decision to the Relevant Registered Shareholder.
- 172.7 If any Distribution shall be paid on a Substantial Shareholding and an Excess Charge becomes payable, the Substantial Shareholder shall pay the amount of such Excess Charge together with all fees, costs, expenses, taxes and other liabilities incurred by the Company in connection with the recovery of such amount to the Company on demand by the Company, provided that if any sum paid or payable by a Substantial Shareholder to the Company under this Article 172.7 is or will be chargeable to tax in the hands of the Company, the Substantial Shareholder shall be obliged to pay such sum as will ensure that, after payment of any such tax, there shall be left an amount in the hands of the Company equal to the original sum payable. Without prejudice to the right of the Company to claim such amount from the Substantial Shareholder, such recovery may be made out of the proceeds of any disposal pursuant to Article 174.2 or out of any subsequent Distribution in respect of the shares to such Person or to the shareholders of all shares in relation to or by virtue of which the Directors believe that Person has an interest in the Company (whether that Person is at that time a Substantial Shareholder or not).

### **173. DISTRIBUTION TRUST**

- 173.1 If a Distribution is paid on or in respect of a Substantial Shareholding (except where the Distribution is paid in circumstances where the Substantial Shareholder is not beneficially entitled to the Distribution), the Distribution and any income arising from it shall be held by the payee or other recipient to whom the Distribution is transferred by the payee on trust absolutely for the Persons nominated by the relevant Substantial Shareholder under Article 173.2 in such proportions as the relevant Substantial Shareholder shall in the nomination direct or, subject to and in default of such nomination being validly made within 12 years after the date the Distribution is made, for the Company as may be nominated by the Directors from time to time.
- 173.2 The relevant Substantial Shareholder of shares of the Company in respect of which a Distribution is paid shall be entitled to nominate in writing any two or more Persons (not being Substantial Shareholders) to be the beneficiaries of the trust on which the Distribution is held under Article 173.1 and the Substantial Shareholder may in any such nomination state the proportions in which the Distribution is to be held on trust for the nominated Persons, failing which the Distribution shall be held on trust for the nominated Persons in equal proportions. No Person may be nominated under Articles 169 to 175 (inclusive) who is or would, on becoming a beneficiary in accordance with the nomination, become a Substantial Shareholder. If the Substantial Shareholder making the nomination is not by virtue of Article 173.1 the trustee of the trust, the nomination shall not take effect until it is delivered to the Person who is the trustee.
- 173.3 Any income arising from a Distribution which is held on trust under Article 173.1 shall until the earlier of (i) the making of a valid nomination under Article 173.2 and (ii) the expiry of the period of 12 years from the date when the Distribution is paid be accumulated as an accretion to the

Distribution. Income shall be treated as arising when payable, so that no apportionment shall take place.

173.4 No Person who by virtue of Article 173.1 holds a Distribution on trust shall be under any obligation to invest the Distribution or to deposit it in an interest-bearing account.

173.5 No Person who by virtue of Article 173.1 holds a Distribution on trust shall be liable for any breach of trust unless due to his own wilful fraud or wrongdoing or, in the case of an incorporated Person, the fraud or wilful wrongdoing of its directors, officers or employees.

#### **174. OBLIGATION TO DISPOSE**

174.1 If at any time, the Directors believe that:

- (a) in respect of any Distribution declared or announced, the condition set out in Article 172.2 is satisfied in respect of any shares in the Company in relation to that Distribution;
- (b) a notice given by the Directors pursuant to Article 171.2 in relation to any shares in the Company has not been complied with to the satisfaction of the Directors within the period specified in such notice; or
- (c) any information, certificate or declaration provided by a Person in relation to any shares in the Company for the purposes of the preceding provisions of Articles 169 to 175 (inclusive) was materially inaccurate or misleading,

the Directors may give notice in writing (a “**Disposal Notice**”) to any Persons they believe are Relevant Registered Shareholders in respect of the relevant shares requiring such Relevant Registered Shareholders within 21 days of the date of service of the notice (or such longer or shorter time as the Directors consider to be appropriate in the circumstances) to dispose of such number of shares the Directors may in such notice specify or to take such other steps as will cause the condition set out in Article 172.2 no longer to be satisfied. The Directors may, if they think fit, withdraw a Disposal Notice.

174.2 If:

- (a) the requirements of a Disposal Notice are not complied with to the satisfaction of the Directors within the period specified in the relevant notice and the relevant Disposal Notice is not withdrawn; or
- (b) a Distribution is paid on a Substantial Shareholding and an Excess Charge becomes payable;

the Directors may arrange for the Company to sell all or some of the shares to which the Disposal Notice relates or, as the case may be, that form part of the Substantial Shareholding concerned. For this purpose, the Directors may make such arrangements as they deem appropriate. In particular, without limitation, they may authorise any officer or employee of the Company to execute any transfer or other document on behalf of the holder or holders of the relevant share and, in the case of a share in uncertificated form, may make such arrangements as they think fit on behalf of the relevant holder or holders to transfer title to the relevant share through a relevant system.

174.3 Any sale pursuant to Article 176.2 above shall be at the price which the Directors consider is the best price reasonably obtainable and the Directors shall not be liable to the holder or holders of the relevant share for any alleged deficiency in the amount of the sale proceeds or any other matter relating to the sale.

- 174.4 The net proceeds of the sale of any share under Article 174.2 (less any amount to be retained pursuant to Article 172.7 and the expenses of sale) shall be paid over by the Company to the former holder or holders of the relevant share upon surrender of any certificate or other evidence of title relating to it, without interest. The receipt of the Company shall be a good discharge for the purchase money.
- 174.5 The title of any transferee of shares shall not be affected by an irregularity or invalidity of any actions purportedly taken pursuant to Articles 169 to 175 (inclusive).

## **175. GENERAL**

- 175.1 The Directors shall be entitled to presume without enquiry, unless any Director has reason to believe otherwise, that a Person is not a Substantial Shareholder or a Relevant Registered Shareholder.
- 175.2 The Directors shall not be required to give any reasons for any decision or determination (including any decision or determination not to take action in respect of a particular Person) pursuant to Articles 169 to 175 (inclusive) and any such determination or decision shall be final and binding on all Persons unless and until it is revoked or changed by the Directors. Any disposal or transfer made or other thing done by or on behalf of the Board or any Director pursuant to Articles 169 to 175 (inclusive) shall be binding on all Persons and shall not be open to challenge on any ground whatsoever.
- 175.3 Without limiting their liability to the Company, the Directors shall be under no liability to any other Person, and the Company shall be under no liability to any shareholder or any other Person, for identifying or failing to identify any Person as a Substantial Shareholder or a Relevant Registered Shareholder.
- 175.4 The Directors shall not be obliged to serve any notice required under Articles 169 to 175 (inclusive) upon any Person if they do not know either his identity or his address. The absence of service of such a notice in such circumstances or any accidental error in or failure to give any notice to any Person upon whom notice is required to be served under Articles 169 to 175 (inclusive) shall not prevent the implementation of or invalidate any procedure under Articles 169 to 175 (inclusive).
- 175.5 The provisions of Articles 159 to 166 shall apply to the service upon any Person of any notice required by this Article. Any notice required by Articles 169 to 175 (inclusive) to be served upon a Person who is not a shareholder or upon a Person who is a shareholder but whose address is not within the United Kingdom and who has failed to supply to the company an address within the United Kingdom pursuant to Article 161, shall be deemed validly served if such notice is sent through the post in a pre-paid cover addressed to that Person or shareholder at the address if any, at which the Directors believe him to be resident or carrying on business or, in the case of a holder of depository receipts or similar securities, to the address, if any, in the register of holders of the relevant securities. Service shall, in such a case be deemed to be effected on the day of posting and it shall be sufficient proof of service if that notice was properly addressed, stamped and posted.
- 175.6 Any notice required or permitted to be given pursuant to Articles 169 to 175 (inclusive) may relate to more than one share and shall specify the share or shares to which it relates.
- 175.7 The Directors may require from time to time any Person who is or claims to be a Person to whom a Distribution may be paid without deduction of tax under Regulation 7 of the Real Estate

Investment Trusts (Assessment, Collection and Recovery of Tax) Regulations 2006 to provide such certificates or declarations as they may require from time to time.

- 175.8 These Articles may be amended by special resolution from time to time, including to give powers to the Directors to take such steps as they may require in order to ensure that the Company can satisfy Condition D of Section 528 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) which relates to close company status, which powers may include the ability to arrange for the sale of shares on behalf of shareholders.