



SHEPHERD+ WEDDERBURN

Palmaris Capital plc  
Articles of Association  
(as altered by Special Resolutions passed on  
15 December 1995, 30 December 1996, 8 May 2001,  
19 February 2007 and 18 December 2008)

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**THE COMPANIES ACT 1985**

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**A PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**PALMARIS CAPITAL PLC<sup>1</sup>**

**(as altered by Special Resolutions passed on 15 December 1995,  
30 December 1996, 8 May 2001, 19 February 2007 and 18 December 2008)**

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**PRELIMINARY**

1. None of any regulations set out in any schedule to any statute concerning companies shall apply as regulations or articles of the Company.
2. In these presents (if not inconsistent with the subject or context) the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

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Words	Meanings
The Act	The Companies Act 1985.
The Statutes	The Act, the Companies Act 2006 and every other Act for the time being in force concerning companies and affecting the Company.
These presents	These Articles of Association as from time to time altered.

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<sup>1</sup> Note: Pursuant to a special resolution of the Company passed at a duly convened extraordinary general meeting held on 5 January 1988 the Company resolved to change its name from "Argo Resources plc" to "Waverley Mining Finance plc" and such change became effective on 15 January 1988 pursuant to a Certificate of Incorporation on Change of Name issued on that date.  
Pursuant to a special resolution of the Company passed at a duly convened extraordinary general meeting held on 8 May 2001 the Company resolved to change its name from "Waverley Mining Finance plc" to "Palmaris Capital plc" and such change became effective on 8 May 2001 pursuant to a Certificate of Incorporation on Change of Name issued on that date.

Office	The registered office of the Company for the time being.
Transfer Office	The place where the Register of Members is situate for the time being.
Seal	The Common Seal of the Company.
Securities Seal	An official seal kept by the Company by virtue of Section 40 of the Act.
Subsidiary	A company which is for the time being a subsidiary (as that expression is defined for purposes of Section 736 of the Act) of the Company.
Directors	The Board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar month.
Year	Calendar year.
In writing	Written, or produced by any visible substitute for writing, or partly one and partly another.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

In these presents:-

3. The expressions "debenture" and "debenture-holder" shall include "debenture stock" and "debenture stockholder" respectively.

The expression "the Company's Bankers" means if more than one, such one of the Company's Bankers as may be selected by the Directors.

The expression "Secretary" shall (subject to the provisions of the Statutes) include any deputy secretary, assistant secretary and any other person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint secretaries shall include any one of those persons.

The expression "Stock Exchange Nominee" bears the meaning ascribed thereto by Section 185(4) of the Act.

All such of the provisions of these presents as are applicable to paid-up shares (other than those relating to share warrants) shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine gender shall include the feminine gender. Words denoting persons shall include partnerships, companies and corporations.

References to any statute or statutory provisions shall (if not inconsistent with the subject or context) include any statutory modification or re-enactment thereof for the time being in force.

Save as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meaning in these presents.

Where for any purpose an Ordinary Resolution of the Company is expressed to be required under the provisions of these presents, a Special or Extraordinary Resolution shall also be effective, and where an Extraordinary Resolution is so expressed to be required a Special Resolution shall also be effective.

## **BUSINESS**

4. Any activity or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such activity or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with the same.

## **CAPITAL**

5. (A) The authorised share capital of the Company is £2,500,000 divided into 48,420,000 Ordinary Shares of £0.05 each and 1,580,000 'A' Ordinary Shares of £0.05 each.<sup>2</sup>

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<sup>2</sup> Note: Pursuant to a special resolution of the Company passed at a duly convened extraordinary general meeting held on 8 May 2001, the authorised share capital of the Company was increased from £2,500,000 to £9,500,000 divided into 190,000,000 Ordinary Shares of 5p each by the creation of an additional 140,000,000 Ordinary Shares of 5p each ranking *pari passu* in all respects with the existing Ordinary Shares of 5p each in the capital of the Company. The 1,580,000 'A' Ordinary Shares of 5p each referred to in Article 5 were automatically re-designed as Ordinary Shares of 5p each prior to 8 May 2001 in accordance with the provisions contained in Article 5.

The Ordinary Shares and the 'A' Ordinary Shares shall rank pari passu as a single class of shares save that the 'A' Ordinary Shares shall be subject to the special provisions set out in this Article below relating to their transferability.

- (B) No transfer of an 'A' Ordinary Share in the Company shall be capable of being registered during the currency of the 'A' Ordinary Share Restriction Period (as defined below) unless either (i) such transfer is a Permitted 'A' Ordinary Share Transfer (as defined below) or (ii) the Directors have in their absolute discretion permitted the transfer to be registered.
- (C) If a holder of 'A' Ordinary Shares shall, during the 'A' Ordinary Share Restriction Period, cease to be a full-time employee of Monktonhall Mineworkers Limited (other than by reason of having reached normal retirement age, disability, redundancy or death or in such other circumstances as the Directors in their discretion deem to be appropriate for the purpose) or if a holder of 'A' Ordinary Shares shall have his employment with Monktonhall Mineworkers Limited terminated following a breach by him of his obligations (such holder being a "defaulting holder") the Directors may request such defaulting holder to execute a surrender of his 'A' Ordinary Shares to the Company for no consideration and if the defaulting holder shall fail to comply with such request within fourteen days the Directors may appoint any officer of the Company to execute such a surrender on the defaulting holder's behalf and a surrender so executed shall take effect as if it was a surrender by the holder.

For the purposes of this Article:

*"the 'A' Ordinary Share Restriction Period" shall mean the period commencing on the date of allotment of the 'A' Ordinary Shares in question and ending on the third anniversary of that date or on any date, if earlier, on which Monktonhall Mineworkers Limited ceases to be a member of the Waverley Group or on which the whole or a substantial part of the undertaking of Monktonhall Mineworkers Limited is disposed of other than to a member of the Waverley Group";*

*"Permitted 'A' Ordinary Share Transfer" shall mean a transfer as to which the Directors are satisfied that it is being made by way of security for borrowings by the holder of 'A' Ordinary Shares in question and to a person from whom the Directors have received an undertaking in a form satisfactory to them that such person will, if*

*required by the Directors to do so, surrender the transferred shares to the Company for no consideration in the event of that transferor becoming a defaulting holder within the 'A' Ordinary Share Restriction Period.*

- (D) On the expiry of the 'A' Ordinary Share Restriction Period applicable to it, each 'A' Ordinary Share shall cease automatically to be subject to the restrictions on transfer referred to above (and accordingly may thereafter be transferred on the same basis as an Ordinary Share) and shall automatically be re-designed as an Ordinary Share.
6. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by the next following Article), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine. The terms and manner of redemption shall be provided for by alteration of these presents.
- 6A. The Company may, subject to the provisions of the Statutes and of these presents, issue warrants to subscribe for shares in the Company. Such warrants shall be issued upon such terms and subject to such conditions as may be resolved upon by the Directors including, without prejudice to the foregoing generality, terms and conditions which provide that, on a winding up of the Company, a holder of warrants may be entitled to receive out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights conferred by the warrants can be exercised such a sum as he would have received had he exercised the subscription rights

conferred by his warrants prior to the winding up but under deduction of the price (if any) payable on exercise of such subscription rights.<sup>3</sup>

### VARIATION OF RIGHTS

7. (A) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting a quorum as above defined is not present, any one holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation or the special rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes.
- (B) The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

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<sup>3</sup>Note: Article 6A was inserted in the Company's Articles of Association pursuant to a special resolution of the Company passed at a duly convened extraordinary general meeting held on 8 May 2001.

**ALTERATION OF CAPITAL**

8. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the Resolution shall prescribe.
9. All new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
10. (A) The Company may by Ordinary Resolution:-
  - (1) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (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 and diminish the amount of its capital by the amount of the shares so cancelled.
  - (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 the Statutes), 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.
- (B) Upon any consolidation of fully paid shares into shares of larger amount the Directors 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 holder (or joint holders) being consolidated with shares registered in the name of another holder (or joint holders) may make such arrangements for the allocation, acceptance or sale of the consolidated share and for the distribution of any moneys received in respect thereof as may be thought fit and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof and any transfer

executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity.

11. Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares) and subject to any relevant purchase being sanctioned by an Extraordinary Resolution passed at a separate class meeting of the holders of any class of convertible shares in issue.
12. The Company may reduce its share capital or any capital redemption reserve, share premium account in any manner and with and subject to any incident authorised, or consent required, by law.

### **SHARES**

13. Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto and of these presents, all unissued shares in the Company shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.
14. In addition to all other powers of paying commissions, the Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. Any such commissions may be paid in cash or in fully or partly paid shares of the Company, or partly in one way and partly in another, as may be arranged.
15. The Company may also on any issue of shares pay such brokerage as may be lawful.
16. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to

effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

17. Except as 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 compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder or, in the case of a share warrant, in the bearer of the warrant for the time being.

### **CERTIFICATES**

18. Every Certificate for shares, warrants, debentures or other securities of the Company shall (except to the extent that the terms and conditions for the time being relating thereto otherwise provide) be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and (subject as hereinafter provided and subject to Article 124(C)) shall bear the autographic signatures at least of one Director and the Secretary. Provided that the Directors may by resolution determine, either generally or in any particular case or cases, that such signatures or either of them shall be dispensed with or shall be affixed by some method or system of mechanical signature or that certificates may be signed or authenticated by some other person or persons. Every such certificate shall specify the number and class of shares, debentures or other securities to which it relates and the amount paid up thereon. No certificate shall be issued representing shares, debentures or other securities of more than one class. No certificate need be issued in respect of shares, debentures or other securities held by a Stock Exchange Nominee.
19. Every person (subject as aforesaid) whose name is entered as a member in the Register of Members shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully paid shares) within fourteen days after lodgement of a transfer or (in

the case of a transfer of partly paid shares) within two months after lodgement of a transfer or (upon payment of such reasonable charge (if any) for every certificate after the first as the Directors shall from time to time determine) to several certificates, each for one or more of his shares of any one class. Provided that the Company shall be bound to register more than four persons as the joint holders of a share and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate for each class of share so held and delivery of a certificate to one of such persons shall be deemed sufficient delivery to all.

20. Where a member transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
21. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for all such shares issued in lieu without charge.
- (B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.
- (C) If a share certificate shall be damaged, defaced, worn out, or alleged to have been lost, stolen or destroyed, it may be replaced by a new certificate on request subject to (in the case of damage, defacement or wearing out) delivery up of the certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence and indemnity as the Directors think fit. In the case of alleged loss, theft or destruction, the person to whom a new certificate is issued shall pay to the Company any exceptional expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity as aforesaid.
- (D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

## **CALLS ON SHARES**

22. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.
23. A call may be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.
24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
25. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 3 per cent. per annum above the Base Rate of the Company's Bankers from time to time or in the absence of such a Base Rate, 20 per cent. per annum) as the Directors determine and all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses wholly or in part.
26. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

27. The Directors may at any time and from time to time differentiate between the holders as to the amount of calls to be paid and the times of payment.
28. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 3 per cent. per annum below the Base Rate of the Company's Bankers from time to time or, in the absence of any such Base Rate, 14 per cent. per annum) as the member paying such sum and the Directors agree upon. 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.

### **FORFEITURE, SURRENDER AND LIEN**

29. If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment thereof, the Directors 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 accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.
30. The notice shall name a further day (not being less than seven 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.
31. 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, interest, costs, charges and expenses due in respect thereof has been received by the Company, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

32. When any share has been forfeited in accordance with these presents, notice of the forfeiture shall forthwith be given to the holder of the share, or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
33. Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited share has been otherwise disposed of permit the share so forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon any further or other terms they may think fit.
34. A share so forfeited or surrendered shall become the property of the Company and may (subject to the provisions of the Statutes) 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 Directors shall think fit and whether with or without all or any part of the amount previously paid on the share being credited as paid and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.
35. A member all or any of whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered 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 3 per cent. per annum above the Base Rate of the Company's Bankers from time to time or, in the absence of any such Base Rate 20 per cent. per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender.

36. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also, insofar as is permitted by the Statutes, have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Directors may waive any lien which has arisen and may declare any share to be exempt wholly or partially from the provisions of this Article.
37. The Company may sell in such manner as the Directors think 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 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the registered holder for the time being of the share or the person entitled thereto by reason of death or bankruptcy.
38. 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 debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debts or

liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

39. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company 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. 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, reallocated 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 in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share and the remedy of any person aggrieved in respect thereof shall be in damages only and against the Company exclusively.

### **TRANSFER OF SHARES**

40. All transfers of shares shall be effected by instrument in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.
41. The registration of transfers may be suspended and the Register of Members closed at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares: Provided that the Register of Members shall not be closed for more than thirty days in any year.

42. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of a share (not being a fully paid share) or any transfer into the names of more than four persons. The Directors may also decline to register any transfer of a share on which the Company has a lien. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
43. Subject to the provisions of Article 5 as to transfers of 'A' Ordinary Shares, the Directors may decline to register any instrument of transfer unless the instrument of transfer is in respect of only one class of share, is duly stamped and is deposited at the Transfer Office, or at such other place as the Directors may from time to time determine, accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a Stock Exchange Nominee the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.
44. All instruments of transfer which are registered may be retained by the Company.
45. No fee will be charged by the Company in respect of the registration of any instrument of transfer or confirmation or probate or letters of administration or certificate of marriage or death or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.
46. Nothing in these presents shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
47. The Company shall be entitled to destroy (a) all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation, and (b) all notifications of change of name and address and all dividend mandates which have been

cancelled or have ceased to have effect at any time after the expiration of two years from the date of the recording of such notification or, as the case may be, the date of such cancellation or cessation, and (c) all instruments of transfer of shares which have been registered at any time after the expiration of six years from the date of registration thereof, and (d) any other documents on the basis of which any entry in the Register of Members has been made at any time after the expiration of six years from the date of the first entry in the Register of Members in respect thereof, and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company.

Provided always that:-

- (i) The provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (ii) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- (iii) References herein to the destruction of any document include references to the disposal thereof in any manner.

### **TRANSMISSION OF SHARES**

48. In case of the death of a registered shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a

deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

49. (A) Subject to the provisions of the preceding Article any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon such evidence being produced as may from time to time properly be required by the Directors either (a) be registered as holder of the share in a representative capacity or (b) be registered himself as holder of the share or (c) transfer such share to some other person. The Directors shall, in any case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
- (B) The intimation to the Company, by or on behalf of any person becoming entitled to a share in accordance with paragraph (A) of this Article, of the evidence therein required shall be deemed to be a request by such person to be registered as holder of the share in a representative capacity unless such person shall otherwise elect as after mentioned, provided always that such registration shall not impose any personal liability upon such person in respect of the share. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing in a form acceptable to the Directors signed by him stating that he so elects and if he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these presents 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 signed by that member.
50. Save as otherwise provided by or in accordance with these presents, a person becoming entitled to a registered share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to

which he would be entitled if he were the registered holder of the share, but he shall not be entitled (except with the authority of the Directors) to receive notices of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a member, unless and until he shall have become a member in respect of the share.

### **UNTRACED SHAREHOLDERS**

51. (A) The Company shall be entitled to sell at the best price then 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:-
- (i) during the period of twelve years ending on the date of the publication of the advertisement referred to in sub-paragraph (ii) below (or, if published on different dates, the first thereof) at least three dividends have become payable on or in respect of the shares in question but all dividends or other moneys payable on or in respect of such shares during such period remain unclaimed; and
  - (ii) the Company shall have inserted an advertisement in one Scottish and one leading London daily newspaper and in a newspaper circulating in the area of the last known address of such member or other person, giving notice of its intention to sell the said shares; and
  - (iii) during the said period of twelve years and the period of three months following the publication of the said advertisement, the Company shall have received indication neither of the whereabouts nor of the existence of such member or person; and
  - (iv) notice (the timing and form of which shall be subject to the requirements of the Quotations Department of The Stock Exchange) shall have been given to the Quotations Department of The Stock Exchange in London of the Company's intention to make such sale.
- (B) To give effect to any such sale the Company may appoint some 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. 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.

### STOCK

52. Subject to the provisions of these presents, the Company may from time to time by Ordinary Resolution convert any fully paid shares into stock or reconvert any stock into fully paid shares of any denomination. If and whenever any shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of that class.
53. The holders of stock may transfer the same or any part thereof, unless otherwise directed by Ordinary Resolution of the Company, 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 admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the shares from which the stock arose) as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine).
54. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such right, privilege or

advantage (except as regards participation in the dividends, profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

### **SHARE WARRANTS TO BEARER**

55. (A) Subject to the provisions of the Statutes, the Company may issue share warrants to bearer and the Directors may accordingly, with respect to any share which is fully paid up (in any case in which they shall in their discretion think fit so to do) upon an application in writing signed by the person registered as the holder of such share, authenticated by such statutory declaration or other evidence as the Directors may require as to the identity of the person signing the request, and upon receiving the certificate of such share, and the amount of stamp duty on such warrant or if the Company shall have previously compounded for such stamp duty then such sum as the Directors may determine in respect of the amount paid by the Company on the occasion of such composition, issue under the Seal or Securities Seal a share warrant, duly stamped, stating that the bearer of the warrant is entitled to the shares therein specified, and may in any case in which a warrant is so issued provide by coupons or otherwise for payment of the future dividends or other moneys in respect of the shares included in such warrant. A warrant may be issued notwithstanding that the application therefor is signed by the person making the same before his name is entered in the Register of Members as the holder of the shares in respect of which the share warrant is to be issued.
- (B) Subject to the provisions of these presents and of the Statutes the bearer of a share warrant shall be deemed to be a member of the Company, and shall be entitled to the same privileges and advantages as if his name had been included in the Register of Members as the holder of the shares specified in such warrant.
- (C) No person shall, as the bearer of a share warrant, be entitled (a) to sign a requisition for calling a meeting, or to give notice of intention to submit a resolution to a meeting, or (b) to attend or vote by himself or by his proxy or exercise any privilege as a member at a meeting, unless he shall, in case (a) before or at the time of lodging such requisition, or giving such notice of intention as aforesaid, or in case (b) four

days at least before the day fixed for the meeting, have deposited at the Office or a bank to be named or approved by the Company for that purpose the warrant in respect of which he claims to act, attend or vote as aforesaid (the place at which the warrant is so deposited being in this Article called "the depository"), and unless the warrant shall remain so deposited until after the meeting and any adjournment thereof shall have been held. The names of more than one person as joint holders of a share warrant shall not be received.

- (D) To any person so depositing a share warrant there shall be delivered a certificate stating his name and address, and describing the shares included in the warrant so deposited, and bearing the date of issue of the certificate, and such certificate shall entitle him or his proxy, duly appointed as hereinafter provided, to attend and vote at any General Meeting held within three months from the date of the certificate and prior to delivery up thereof pursuant to paragraph (E) of this Article in the same way as if he were the registered holder of the shares specified in the certificate.
- (E) Upon delivery up of the certificate at the depository, the bearer of the certificate shall be entitled to receive the warrant in respect of which the certificate was given.
- (F) The holder of a share warrant shall not, save as aforesaid, be entitled to exercise any right as a member unless (if called upon by any Director or the Secretary so to do) he produce his warrant or the certificate of its deposit, and state his name and address.
- (G) No new share warrant or coupon shall be issued except either in place of one worn out or defaced and against production of the same for cancellation or upon the Directors being satisfied beyond reasonable doubt that the original has been destroyed.
- (H) The shares included in any share warrant shall be transferred by the delivery of the warrant without any written transfer and without registration, and to shares so included the provisions hereinbefore contained with reference to the transfer of shares shall not apply.
- (I) The delivery to the Company or to a duly authorised agent of the Company of a coupon shall be a good discharge to the Company for the dividend represented thereby.

- (J) Upon surrender of his share warrant to the Company for cancellation, together with all coupons for the future dividends on the shares comprised in the warrant and an application in writing signed by him in such form and authenticated in such manner as the Directors shall require requesting to be registered as a member in respect of the shares included in the share warrant and stating in such application his name, address and occupation, the bearer of a warrant shall be entitled to be registered in respect of the shares included in the warrant, but the Company shall in no case be responsible for any loss or damage incurred by any person by reason of the Company entering in its Register of Members, upon surrender of a warrant, the name of any person not the true and lawful owner of the warrant surrendered.
- (K) The Directors may from time to time make and vary such supplemental regulations as they may think fit respecting the terms and conditions upon which share warrants may be issued and any matters incidental thereto.

### **GENERAL MEETINGS**

56. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
57. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed to convene an Extraordinary General Meeting.

### **NOTICE OF GENERAL MEETINGS**

58. An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty one days' notice in writing at the least, and any other General Meeting by fourteen days' notice in writing at the least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to the Auditors and to all members

other than such as are not under the provisions of these presents entitled to receive such notices from the Company: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

- (A) In the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (B) In the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

- 59. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
  - (B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
  - (C) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instruments of proxy to, or the non-receipt of such instruments of proxy by, any person entitled to receive notice shall not invalidate the proceedings at any General Meeting.
  - (D) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.
60. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-
- (A) Sanctioning or declaring dividends;

- (B) Considering and adopting the accounts, the reports of the Directors and Auditors and other documents required to be annexed to the accounts;
- (C) Appointing or re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- (D) Fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;
- (E) Appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
- (F) Renewing, limiting, extending, varying or granting any authority of or to the Directors, pursuant to Section 80 of the Act, to allot relevant securities or, pursuant to Section 95 of the Act, to disapply Section 89 of the Act.

61. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

- (A) Give to the 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;
- (B) Circulate to the members entitled to have notice of any General Meeting, 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.

### **PROCEEDINGS AT GENERAL MEETINGS**

62. No business other than the appointment of a chairman of the meeting shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

63. If within fifteen minutes from the time appointed for a General Meeting (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) 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 day in the next week, at the same time

and place, or to such other day and at such other time and place as the chairman of the meeting may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present in person or by proxy and entitled to vote shall be a quorum.

64. The Chairman of the Directors, failing whom one of the Deputy Chairmen failing whom one of any Vice-Chairmen (to be chosen, if more than one are present and in default of agreement amongst themselves, by lot) shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman or Vice-Chairman, or if at any meeting none of them be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.
65. The chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
66. When a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
67. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

68. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll as hereinafter mentioned) demanded by either:-
- (A) the chairman of the meeting; or
  - (B) not less than five members present in person or by proxy and entitled to vote; or
  - (C) a 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
  - (D) a member or members present in person or by proxy and 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.
69. A demand for a poll may be withdrawn at any time before the conclusion of the meeting or the taking of the poll, whichever is the earlier. Unless a poll be duly demanded (and the demand be not withdrawn) a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of the ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
70. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the votes to which he may be entitled as a member or as a representative or proxy of a member.

71. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (being not more than thirty days after the date of the meeting at which the poll was demanded) and place as the chairman may direct. No notice need be given of a poll not taken immediately.
72. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

73. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member present or deemed by these presents to be present in person and entitled to vote shall have one vote, and on a poll every member present or so deemed present in person or by proxy and entitled to vote shall have one vote for every share held by him.
74. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
75. A member who is a patient for any purpose of any statute relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by such court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office, or at such other place (if any) as is specified for the delivery of instruments of proxy in accordance with these presents,

not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) for the taking of the poll at which it is desired to vote.

- 76 (A) No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of shares in the Company remains unpaid and in every case when a member has become bankrupt he shall not, while his bankruptcy continues be entitled to be present or vote at any general meeting.
- (B) Where, in respect of any shares in the Company, any registered holder of such shares or other person appearing to be interested in such shares fails to comply with any notice (in this Article called a "statutory notice") given to that person by the Company pursuant to Part VI of the Act or, in purported compliance with such a statutory notice, makes a statement which is false in a material particular, then not earlier than twenty-eight days after the service of such statutory notice the Company may serve upon such registered holder a notice (in this Article called a "disenfranchisement notice") to the effect that such shares shall from the service of the disenfranchisement notice confer on him no right to attend or vote, in person or by proxy, either at any General Meeting of the Company or at any separate General Meeting of the holders of the shares of that class until the statutory notice has been complied with. A disenfranchisement notice may be cancelled by the Directors at any time. For the purpose of this paragraph a person shall be treated as appearing to be interested in any shares if the registered holder of such shares has given to the Company a notification under Section 212 of the Act which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

77. If (i) any objection shall be raised to the qualification of any person to vote or to the admissibility of any vote or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error raised or pointed out in due time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.
78. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
79. A proxy need not be a member of the Company.
80. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may prescribe or accept and:-
- (a) in the case of an individual shall be signed by the appointor or by his attorney; and
  - (b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney for or duly authorised officer of the corporation.
- The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.
81. An instrument appointing a proxy (together with any evidence of authority required by the Directors pursuant to the immediately preceding Article) must be delivered to such place or one of such places (if any) as may be specified for that purpose in, or by way of note to, or in any documents accompanying, the notice convening the meeting or any notice of any adjournment (or, if no place is so specified, to the Transfer Office) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the

case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution except a power of attorney containing a power to act and vote for a member at meetings of the Company, and such a power, if once duly intimated to the Company, shall not require to be again deposited at the Transfer Office of the Company.

82. Subject to the provisions of the Statutes, the Directors may, if they think fit, at the expense of the Company, issue forms of proxy for use by the members with or without prepaid postage and with or without inserting therein the names of any of the Directors or any other person as proxies.
83. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting, and shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
84. A vote cast by proxy shall not be invalidated by the previous death or insanity of his principal or by the revocation of the instrument of proxy or of the authority under which the instrument was executed provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office or such other place (if any) as is specified for the delivery of instruments of proxy in accordance with these presents prior to one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at, or on the same day as, the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

### **CORPORATIONS ACTING BY REPRESENTATIVES**

85. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

### **DIRECTORS**

86. Subject as hereinafter provided the Directors shall not be less than three in number.
87. The Company may by Ordinary Resolution from time to time vary the minimum and/or maximum number of Directors.
88. The aggregate ordinary remuneration per annum of the Directors for acting as such shall not exceed £50,000 per annum or such other sum as may from time to time be determined by the Company in General Meeting and shall be divisible among the Directors as they may by resolution agree or, failing agreement, equally except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of the remuneration related to the period during which he has held office.
89. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee or General Meetings or otherwise in or about the business of the Company.
90. Any Director who is appointed to any executive office (including for this purpose the office of Chairman or Deputy Chairman or Vice-Chairman whether or not such office is held in an executive capacity) or who serves on any committee or who otherwise performs services

which in the opinion of the Directors are outside the scope of the ordinary duties of a Director or who makes any special exertions in going or residing abroad or otherwise, in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

91. Without prejudice to the general power of the Directors under these presents to exercise on behalf of the Company (by establishment or maintenance of schemes or otherwise) all the powers of the Company to give or procure the giving of pensions or other retirement, superannuation, death or disability benefits, annuities or other allowances, emoluments or benefits to or for the benefit of any person, and without restricting the generality of their other powers, the Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits, annuities or other allowances, emoluments or benefits to any Director, ex-Director, officer or ex-officer of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or any such subsidiary or of any predecessor in business of the Company or any other company as aforesaid and to the husbands, wives, widowers, widows, children, families, dependants and personal representatives of any such Director, ex-Director, officer or ex-officer and for the purpose of providing any such pensions or other benefits to establish or contribute to any trust, scheme, association, arrangement or fund or to pay premiums, and shall have power to establish trusts, schemes, associations, arrangements or funds considered to be for the benefit of any such persons aforesaid. A Director, ex-Director, officer or ex-officer shall not be accountable to the Company or the members for any such pension, allowance or other benefit and the receipt of the same shall not disqualify any person from being or becoming a director of the Company.

92. (A) Subject to the provisions of the Statutes, a Director or alternate Director may be a party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and (in addition to any other remuneration provided for by or pursuant to any other Article) be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or

any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (unless otherwise agreed) the Director may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

- (B) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and (unless otherwise agreed) shall not be accountable to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of, or from his interest in, such other company. The Directors may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them to be directors, officers or servants of such other company, or voting or providing for the payment of remuneration to the directors, officers or servants of such other company.

93. (A) The Directors may from time to time appoint one or more of their body to be the holder of any executive office or make any appointment by them of a Director conditional upon his accepting any executive office (including, where considered appropriate, the office of Chairman, Deputy Chairman or Vice-Chairman, Managing, Joint Managing, Deputy or Assistant Managing Director or Chief, Deputy Chief or Assistant Chief Executive) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

- (B) The appointment of any Director to any of the executive offices specifically mentioned in paragraph (A) above shall automatically determine if he cease to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(C) The appointment of any Director to any other executive office shall not automatically determine if he cease from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise in which event the termination of his office if he cease to be a Director shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

94. The Directors may entrust to and confer upon any Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

95. Any provisions of the Act which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office of Director on account of his having reached the age of seventy or any other age or of requiring special notice or any of the special formality in connection with the appointment of any Director over a specified age, shall apply to the Company.

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

- (A) If pursuant to any provisions of the Statutes he is removed or prohibited from being a Director.
- (B) If he shall resign by writing under his hand left at the Office or if he shall tender his resignation and the Director shall resolve to accept the same.
- (C) If he shall have a receiving order made against him, become bankrupt notour insolvent, execute a trust deed for behalf of his creditors or shall compound with his creditors generally.
- (D) If he shall become of unsound mind or otherwise incapax.
- (E) If he shall be absent from meetings of the Directors for six months without leave and his alternate Director (if any) shall not during such period have attended in his stead and the Directors shall resolve that his office be vacated.

- (F) If he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that in the case of a Director holding an executive office which automatically determines on his ceasing to be a Director such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office.
97. At the first Annual General Meeting of the Company all the Directors shall retire from office and at each succeeding Annual General Meeting any Director bound to retire under Article 103 and one-third of the other Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to, but (except where less than three Directors are subject to retirement by rotation) not greater than, one-third) shall retire from office.
98. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election and any Director who has reached the age of seventy. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board of Directors of the Company at the date of the notice convening the Annual General Meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting. A retiring Director shall be eligible for re-election.
99. The Company at the meeting at which a Director retires under any provision of these presents may (subject to Article 101) by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

- (A) Where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost.
- (B) Where such Director has given notice in writing to the Company that he is unwilling to be re-elected.
- (C) Where the default is due to the moving of a resolution in contravention of the next following Article.
- (D) Where such Director ceases to be a Director by virtue of Article 95 or by virtue of any provisions of the Statutes.
- (E) Where, if such Director was re-elected, he would be required to vacate the office of Director pursuant to Article 96.

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

100. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.
101. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than fourteen days before the day appointed for the meeting there shall have been left at the Office, addressed to the Secretary, notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.
102. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office notwithstanding any provision of these presents or of any agreement between the Company

and such Director (but without prejudice to any claim he may have for damages for breach of any such agreement) and by Ordinary Resolution appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

103. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice and in addition thereto, the Directors shall have power at any time so to do, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these presents. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

### **ALTERNATE DIRECTORS**

104. (A) Any Director may at any time by writing under his hand and deposited at the Office, or received by the Secretary or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. If such alternate Director is not another Director, such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- (B) The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director or if the approval of the Directors to his appointment is withdrawn, provided that if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired. An alternate Director may by writing under his hand left at the Office resign such appointment.

- (C) An alternate Director shall (except when absent from the United Kingdom) be entitled, if his appointor so requests, to receive notices of meetings of the Directors to the same extent as, the Director appointing him and shall be entitled to attend and vote as such a Director and be counted for the purposes of a quorum at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he were a Director. If he shall himself be a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees formed under Article 113 the foregoing sentences shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these presents.
- (D) An alternate Director may be repaid expenses, and shall be entitled to be indemnified, by the Company to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### **PROCEEDINGS OF DIRECTORS**

105. Subject to the provisions of these presents, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. A Director absent or intending to be absent from the United Kingdom may request

the Directors that notices of meetings of Directors shall, during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose but in the absence of any such request, it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively.

106. A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Any such authority must be in writing or by cable, telegram, telex or facsimile which must be produced at the meeting at which the same is to be used and be left with the Secretary for retention.
107. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
108. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (or any transaction or arrangement whether or not constituting a contract) with the Company shall declare the nature of his interest in accordance with the provisions of the Statutes.
- 108A. (A) For the purposes of section 175 of the Companies Act 2006, the Directors have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section 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.
- (B) The power of the Directors to authorise any matter under paragraph (A) of this Article applies (but is not limited) to the exploitation of any property, information or opportunity (and it is immaterial whether the Company could take advantage of the

property, information or opportunity), but does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.

- (C) Authorisation of a matter under this Article is effective only if:
- (i) the matter in question has been proposed in writing for consideration at a meeting of the Directors in accordance with the Board's normal procedures or such other manner as the Directors may decide;
  - (ii) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question or any other interested Director; and
  - (iii) the matter was agreed to without such Director (or Directors) voting, or would have been agreed to if the votes of any interested Directors had not been counted.
- (D) Any authorisation of a matter under this Article shall be subject to such conditions, limitations and/or terms as the Directors may decide, whether at the time such authorisation is given or subsequently, and may be varied or revoked by the Directors at any time and at their absolute discretion. Such conditions, limitations and/or terms may include, without limitation, that:
- (i) any information obtained by the Director, other than in his capacity as a Director or employee of the Company, which is confidential in relation to a third party, need not be disclosed or used for the benefit of the Company where such disclosure or use would constitute a breach of confidence;
  - (ii) the Director shall notify the Board as soon as practicable of any significant change in the circumstances proposed for consideration under paragraph (C)(i) of this Article;
  - (iii) the Director shall not be required or entitled to attend those parts of meetings of the Directors (or a committee thereof) at which the matter under consideration is discussed; and
  - (iv) the Director shall not be entitled to receive any papers or other documents in relation to, or concerning, the matter under consideration.

Subject to any such conditions, limitations and/or terms imposed by the Directors, any authorisation given shall be deemed to be given to the fullest extent permitted by the

Statutes. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

- (E) A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article and any contract, transaction or arrangement relating thereto is not liable to be avoided on the grounds of any such benefit.
- (F) Any authorisation of a matter under this Article shall extend to any actual or potential conflict of interest which may reasonably be expected by the Directors, at the time such authorisation is given, to arise out of the matter so authorised.<sup>4</sup>
109. (A) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (B) Subject to the provisions of the Statutes a Director shall (in the absence of some other material 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:-
- (i) The giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries.
  - (ii) The giving of any 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.
  - (iii) Any proposal concerning an offer of shares or debentures or other securities or by the Company or any of its subsidiaries for subscription or purchase in

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<sup>4</sup> Article 108A was inserted in the Company's Articles of Association pursuant to a special resolution of the Company passed at a duly convened general meeting held on 18 December 2008.

which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof.

- (iv) 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 persons connected with him within the meaning of Section 346 of the Act) is not the holder of or beneficially interested in 1 per cent. or more of the issued shares of any class 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 purposes of this Article to be a material interest in all the circumstances).
  - (v) Any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme or employees' share scheme (within the meaning of Section 743 of the Act) 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 by the Company in General Meeting and which, in relation to an employees' share scheme, does not accord to any Director as such any privilege or advantage not generally accorded to those employees who participate in such scheme.
  - (vi) Any insurance which the Company proposes to maintain or purchase for the benefit of any Director or for the benefit of persons who include Directors.
  - (vii) The giving of indemnities in favour of Directors.
  - (viii) The provision to him of any funds to meet expenditure or doing anything to avoid incurring expenditure by him in respect of:
    - (a) defending criminal, civil or regulatory proceedings or actions against him;
    - (b) an application to the court for relief; or
    - (c) any regulatory investigations.
- (C) 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 case each of the Directors concerned (if not debarred from voting under paragraph (B)(iv) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- (D) 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 referred to the chairman of the meeting and his 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 such Director has not been fairly disclosed.
- (E) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

110. The continuing Directors may act notwithstanding any vacancies in their number, but if and so long as the number of Directors is reduced below the number fixed by or in accordance with these presents as the necessary quorum of Directors the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

111. The Directors may elect a Chairman (or make any appointment by them of a Director conditional upon his becoming the Chairman) and one or more Deputy Chairmen and one or more Vice Chairmen and determine the period for which each is to hold office. The Chairman or, in his absence, one of any Deputy Chairmen, or in his absence one of any Vice Chairmen shall preside at meetings of the Directors, but if no Chairman or Deputy Chairman or Vice Chairman shall have been appointed, or if at any meeting none of them be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting. If at any time there is more than one Deputy Chairman or Vice-Chairman the right to preside at a meeting of Directors shall be determined

as between the Deputy Chairmen or Vice- Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

112. A resolution in writing signed by all the Directors for the time being in the United Kingdom and all the alternate Directors (if any) for the time being in the United Kingdom whose appointors are for the time being absent from the United Kingdom (provided that their number is sufficient to constitute a quorum) or by all the members of a committee formed under the next following Article for the time being shall be as valid and effective as a resolution passed at a meeting of the Directors or, as the case may be, of such committee duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors or alternate Directors or members of the committee concerned.
113. The Directors may delegate any of their powers or discretions to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that (i) the number of co-opted members shall be less than one half of the total number of members of the committee and (ii) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors or alternates of Directors.
114. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
115. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any

such Directors (or their alternates), or member of the committee, or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director (or alternate Director) or member of the committee and had been entitled to vote.

### **BORROWING POWERS**

116. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to pledge or grant any security over all or any part of its undertaking, property and uncalled capital, and, subject to the Statutes, to issue debentures, debenture stock and other securities whether terminable, redeemable or perpetual and whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any third party.
- (B) The Directors shall restrict the moneys borrowed by the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate principal amount (including any fixed or minimum premium payable on final repayment) at any one time outstanding in respect of all moneys borrowed (whether secured or not) by the Company and its subsidiaries (if any) for the time being, but exclusive of any moneys borrowed by the Company from and for the time being owing to any subsidiary or by any subsidiary from and for the time being owing to the Company or another subsidiary, shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the Adjusted Total of Capital and Reserves or, until such time as accounts of the Company shall be made up and audited, £10,000,000.
- (C) For the purposes of this Article:-
- (1) the expression "the Adjusted Total of Capital and Reserves" shall mean the aggregate (as certified or reported on by the Auditors whose certificate or report shall be conclusive) of:-
    - (i) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and

- (ii) the total of the amounts standing to the credit of the capital and revenue reserves (including any share premium account or capital redemption reserve) and any credit balance on revenue account) all as shown in the latest published audited balance sheet of the Company (or in the event of the Company having any subsidiaries, as shown in a consolidation of the latest published audited balance sheet of the Company and its subsidiaries), but after:-
- (a) making such adjustments as may be necessary or appropriate to reflect any variations since the date of the balance sheet in interests in any subsidiary or in such paid up share capital or reserves and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten then the amount (including any premium) of the subscription monies so underwritten (not being moneys payable later than three months after the date the underwriting becomes unconditional) shall be deemed to have been paid up at the date when the underwriting becomes unconditional;
  - (b) excluding any sums attributable to outside interests in any subsidiary of the Company and any sums set aside for deferred taxation (including such provision as the Auditors shall consider appropriate to take account of contingent liabilities to taxation (if any) in respect of chargeable gains calculated by reference to the unrealised appreciation of assets);
  - (c) deducting any distributions (other than distributions to the Company or to a subsidiary) out of profits accrued prior to the date of the aforesaid balance sheet and not provided for therein;

- (d) deducting any debit balance on revenue account and any amount referable to goodwill (arising other than on consolidation) or any intangible assets; and
  - (e) making such other adjustments (if any) as the Auditors may consider appropriate to provide for the carrying into effect of the transaction for the purposes of which the Adjusted Total of Capital and Reserves requires to be calculated, or otherwise.
- (2) "moneys borrowed" shall be deemed to include the following except in so far as otherwise taken into account:
- (a) the principal amount for the time being outstanding and owing by the Company of any subsidiary of it in respect of any debenture (within the meaning of Section 744 of the Act) whether issued for cash or otherwise together with any fixed or minimum premium payable thereon on final repayment but excluding any debenture the beneficial interest in which is owned by the Company or a subsidiary;
  - (b) the principal amount raised by the Company or a subsidiary by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;
  - (c) the nominal amount of any share capital and the principal amount of any borrowed moneys and other debts or obligations of any person or body whether corporate or unincorporate, together in each case with any fixed or minimum premium payable on final repayment, the repayment of which is guaranteed or secured by the Company or a subsidiary but excluding any such share capital which is for the time being beneficially owned by, and any such borrowed moneys or other debts or obligations which are for the time being owing to or by, the Company or a subsidiary; and
  - (d) the nominal amount of any share capital (not being equity share capital) of a subsidiary owned otherwise than by the Company or another subsidiary;

but shall not include:-

- (e) a proportion of the borrowings of any partly owned subsidiary (but only to the extent that an amount equivalent to such proportion exceeds sums borrowed (if any) from such partly owned subsidiary by the Company or another subsidiary) such proportion being that which the issued equity share capital which is not for the time being beneficially owned directly or indirectly by the Company bears to the whole of the issued equity share capital of such partly owned subsidiary; and
  - (f) amounts borrowed for the purpose of repaying (and intended to be so applied within six months of being first borrowed) the whole or any part of borrowings or other indebtedness of the Company or a subsidiary (other than from the Company or a subsidiary) for the time being outstanding (including any fixed or minimum premium payable on repayment) pending their application for such purpose within such period;
- (D) For the purpose of this Article any Company which it is proposed shall become or cease to be a subsidiary contemporaneously in connection with any relevant transaction shall be treated as if it had already become or ceased to be a subsidiary.
- (E) For the purpose of calculating the amount of the Adjusted Total of Capital and Reserves any amount expressed in a currency other than Sterling shall be converted into Sterling at the rate of exchange used for the purposes of the then latest audited accounts and for purposes of calculating the amount of moneys borrowed any amount so expressed and outstanding in any currency other than Sterling shall be converted into Sterling at the latest establishable rate of exchange ruling in London prior to the date on which the calculation falls to be made;
- (F) The Company shall not be in breach of the borrowing limit under this Article by reason of the limit being exceeded as a result only of any fluctuation in rates of exchange provided that within six months of any such fluctuations which would but for this provision have caused such a breach the aggregate principal amount as aforesaid is reduced to an amount not exceeding the said limit.

- (G) No person dealing with the Company or any subsidiary shall by reason of the foregoing provisions be concerned to see or inquire whether the said limits are observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limit had been or would thereby be exceeded. A certificate by two Directors that the amount of any moneys borrowed is within the said limits shall be conclusive evidence in any question between any such person and the Company.

### **GENERAL POWERS OF DIRECTORS**

117. The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors 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.
118. The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in any specified locality whether in the United Kingdom or elsewhere and without prejudice to the generality of the foregoing may at any time and from time to time establish any regional, divisional or local boards, committees, or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any one or more of the Directors or any other person or persons to be members of such regional, divisional or local boards or committees, or any managers or agents, and may fix their remuneration, and may delegate to any regional, divisional or local board or committee, manager or agent any of the powers, authorities and discretions vested in the Directors with power to sub delegate and may authorise the members of any regional, divisional or local boards or committees 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 Directors may think fit, and the Directors may remove any person so appointed, may fix the quorum of the said regional, divisional or local boards or committees, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

119. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may delegate all or any of their powers under this Article.
120. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.
121. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.
122. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable 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 Directors or any duly authorised committee of the Directors shall from time to time determine.

### **SECRETARY**

123. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Deputy Secretaries and Assistant Secretaries. Anything by the Statutes or by these presents 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, to be done by or to any Deputy or Assistant Secretary, or if there is no Deputy or Assistant Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors.

### **SEALS**

124. (A) The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or a committee authorised by the Directors in that behalf.
- (B) Every deed, contract, document, instrument or other writing to which the Seal shall be affixed shall (except as permitted by Article 18) be signed by a Director or by some other person appointed by the Directors for the purpose and countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. Such signature and counter-signature shall not require to be witnessed.
- (C) The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.

### **AUTHENTICATION OF DOCUMENTS**

125. Any Director or the Secretary or any person appointed by the Directors or by a duly authorised committee for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the

Directors or any committee, 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; and where any books, records, documents or accounts are elsewhere than at the Office the officer, servant or agent of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as 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 or extract is a true and accurate record of proceedings at a duly constituted meeting.

### **DIVIDENDS**

126. The Company may by Ordinary Resolution declare dividends but no dividend shall be payable except out of the profits of the Company available for distribution under the provisions of the Statutes and these presents, or in excess of the amount recommended by the Directors. Neither unrealised appreciation of investments or other assets, nor realised profits arising from the sale or realisation of investments or other assets (including any surplus over the book value thereof), nor any other moneys in the nature of accretion to capital (including in particular, any sums resulting from the writing up of the book value of any asset) or any other sums representing capital profits shall be available for dividend. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.
127. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed

for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

128. Subject to the provisions of the Statutes, where any asset, business or property is bought by, transferred to or vested in the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
129. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
130. The Directors may deduct from any dividend or other moneys payable to any member, whether alone or jointly with any other member, on or in respect of a share all sums of money (if any) presently payable by him, whether alone or jointly with any other member, to the Company on account of calls or otherwise in relation to shares of the Company.
131. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
132. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

133. All dividends or other moneys payable on or in respect of a share unclaimed after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until subject as provided by these presents, claimed. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
134. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.
135. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend and may vest any such specific assets in trustees as may seem expedient to the Directors.
136. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons), or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. If on three or more consecutive occasions cheques or warrants in payment of the dividends or other moneys payable on or in respect of

any share have been sent through the post in accordance with the provisions of this Article but have been returned undelivered or left uncashed during the periods for which the same are valid, the Company need not thereafter despatch further cheques or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing to the Transfer Office an address for the purpose.

137. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

#### **RECORD DATE**

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

#### **RESERVES**

139. The Directors may from time to time before recommending any dividend whether preferential or otherwise set aside out of the profits of the Company (but excluding profits required to be carried to the Capital Reserve Fund pursuant to the next following Article) and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide any such reserve into such specific funds as they think fit and may

consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it prudent not to distribute. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

### **CAPITALISATION OF PROFITS AND RESERVES**

140. The Company may upon the recommendation of the Directors by Ordinary Resolution and subject as hereinafter provided, resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including profit and loss account) and whether or not the same is available for distribution provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend.
141. The Company may in the circumstances referred to in the preceding Article 140 authorise the Directors to appropriate the amount resolved to be capitalised to the Ordinary Shareholders in the proportions in which such profits or sum would have been divisible amongst them had the same been distributed or been distributable as dividends on the Ordinary Shares and to apply such amount on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures or other securities or obligations of the Company of a nominal amount equal to such profits or sum, such shares or debentures or other securities or obligations to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in one way and partly in the other: Provided that any share premium account and capital redemption reserve and any reserve or fund representing unrealised profits may be applied only hereunder in the paying up of unissued shares to be allotted as fully paid up.
- 141A. The Company may in the circumstances referred to in the preceding Article 140 authorise the Directors to appropriate the amount resolved to be capitalised to the holders of any Warrants to subscribe for Ordinary Shares issued by the Company in such proportions (as between the holders of such Warrants) as the Directors may determine and in satisfaction (in whole or in part) of any exercise of or in consideration for the cancellation or waiver of some or all of such

Warrants. Any such amount shall be applied in paying up in full unissued Ordinary Shares or debentures or other securities or obligations of the Company of a nominal amount equal to such profits or sum, such Ordinary Shares or debentures or other securities or obligations to be allotted and distributed credited as fully paid up to and amongst the holders of such Warrants in such proportions aforesaid; provided that any share premium account and capital redemption reserve and any reserve or fund representing unrealised profits may be applied only hereunder in the paying up of unissued Ordinary Shares to be allotted as fully paid up.<sup>5</sup>

142. Whenever such a resolution as aforesaid shall have been passed the Director shall make all appropriations and applications of the profits or sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures or other securities (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit for the case of shares or debentures or other securities becoming distributable in fractions (including provisions whereby any fractional entitlements which would arise on the basis aforesaid are disregarded or the benefit thereof accrues to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and for matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

### **MINUTES AND BOOKS**

143. The Directors shall cause Minutes to be made in books to be provided for the purpose:-
- (A) Of all appointments of officers made by the Directors;
  - (B) Of the names of the Directors or their alternates and any other persons present at each meeting of Directors and of any committee formed under Article 113; and
  - (C) Of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees formed under Article 113.

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<sup>5</sup> Note: Article 141A was inserted in the Company's Articles of Association pursuant to a special resolution of the Company passed at a duly convened extraordinary general meeting held on 19 February 2007

Any such Minute shall be conclusive evidence of any such proceedings if it purports to be signed by the chairman of the meeting at which the proceedings were had, or by the chairman of the next succeeding meeting.

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

### **ACCOUNTS**

145. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or, subject to the Statutes, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.
146. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary, and the Directors' Report shall contain the information specified in Article 88 above.
147. A copy of every 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) and of the Directors' and Auditors' reports shall not less than twenty one days before the date of the meeting be sent to every member of, and 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 presents Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not entitled to receive notices of meetings and of

whose address the Company is not aware, but any member or holder of debentures 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. Whenever a listing or quotation on any Stock Exchange for all or any of the shares or debentures or other securities of the Company shall for the time being be in force, there shall 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.

### **AUDITORS**

148. 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 or subsequently became disqualified.
149. The Auditor shall be entitled to attend any General Meeting and to receive all 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 as Auditor.

### **NOTICES**

150. Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or where second-class mail is employed, forty-eight hours) after the time when the

cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

151. In respect of joint holdings all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint holders in their capacity as such. For such purposes a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.
152. A person entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as may from time to time properly be required by the Directors to show his title to the share and not supplying an address within the United Kingdom for the service of notices, shall, save as herein otherwise expressly provided, be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company have notice of his death or bankruptcy or liquidation be deemed to have been duly served or delivered in respect of any share registered in the name of such member as so or joint holder.
153. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company. If on three consecutive occasions notices have been sent through the post to any member at his registered address or his address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Transfer Office a new registered address or address within the United Kingdom for the service of notices.

154. The signature of any notice required to be given by the Company may be typed or printed or otherwise written.
155. Any notice required to be given by the Company to the members or any of them, and not expressly provided for by or pursuant to these presents, shall be sufficiently given if given by advertisement inserted once in at least one leading Scottish and one leading London daily newspaper.
156. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised in at least one leading Scottish and two leading London daily newspapers published on the same date and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
157. The holders of share warrants shall not, unless otherwise expressed therein, be entitled in respect thereof to receive notices from the Company.
158. Nothing in any of the preceding eight Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

### **WINDING UP**

159. (A) If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members in specie or kind 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 purpose set such value as he deems fair upon any one or more class or classes of property and

may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like 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, including the vesting of assets in the trustees of one or more unit trusts pursuant to any scheme whereby members are to receive units in consideration for the assets of the Company so vested, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

- (B) If the Company shall be wound up and any Extraordinary Resolution referred to in sub-paragraph (A) of this Article is not passed, the Directors or the liquidator (as appropriate) may ascertain from the members whether they wish that their share of the assets be paid to them in cash or that the liquidator retains such share in the form of investments and vests such share in trustees upon trusts for the purpose of unitisation or otherwise.

### **PROVISIONS FOR EMPLOYEES**

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

### **INDEMNITY**

161. (A) Subject to the Statutes, every Director, former Director and officer of the Company shall be entitled to be indemnified by the Company against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any other liability incurred by him in connection with his duties, powers or office, in each case other than:
- (a) any liability incurred to the Company; and
  - (b) any liability of a kind referred to in section 234(3) of the Companies Act 2006.

- (B) Where a Director, former Director and officer is indemnified against any liability in accordance with this Article, such indemnity will extend to all costs, charges, losses, expenses and liabilities incurred by him in relation to such liability.
162. Without prejudice to Article 161, the Directors have the power to purchase and maintain insurance for, or for the benefit of any person who is or was at any time a Director or officer of the Company. Such power includes insurance against any liability incurred by such persons in connection with his duties, powers or office in relation to the Company and all costs, charges, losses, expenses and liabilities incurred by him in relation to such liability.
163. (A) Subject to the Statutes, the Company:
- (i) may provide a Director, former Director or officer of the Company with funds to meet expenditure incurred or to be incurred by him in:
    - (a) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company; or
    - (b) in connection with any application for relief under the provisions mentioned in section 205(5) of the Companies Act 2006; and
  - (ii) may do anything to enable any such Director, former Director or officer to avoid incurring such expenditure.
- (B) The terms set out in section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under paragraph (A) of this Article.
- (C) Subject to the Statutes, the Company:
- (i) may provide a Director, former Director or officer of the Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company; and
  - (ii) may do anything to enable any such Director, former Director or officer to avoid incurring such expenditure.

