

The Companies Acts 1985, 1989 and 2006

COMPANY LIMITED SHARES

NEW

ARTICLES OF ASSOCIATION

OF

SAFELAND PLC

(Adopted by Special Resolution
passed on October 21 2008)

OF

SAFELAND PLC

Incorporated 18th April 1986

The Companies Acts 1985, 1989 and 2006

COMPANY LIMITED BY SHARES

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(Adopted by Special Resolution passed on [·] 2008)

1. **PRELIMINARY**

- 1.1 Neither the Regulations in Table A in the Companies (Tables A to F) Regulations 1985 or in any Table A applicable to the Company under any former enactment relating to companies nor regulations set out in any statute, statutory instrument or other subordinate legislation made under any statute concerning companies shall apply to the Company.

2. **INTERPRETATION**

- 2.1 In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the respective meanings set opposite them:-

the 1985 Act the Companies Act 1985 (as in force from time to time).

the 2006 Act the Companies Act 2006 (as in force from time to time).

AIM the AIM market operated by the London Stock Exchange.

AIM Rules means together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time.

these Articles these Articles of Association as from time to time altered by Special Resolution.

certificated share a share in the capital of the Company that is not an uncertificated share and references in these Articles to a share being held in certificated form shall be construed accordingly.

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

communication shall, where the context so admits, have the same meaning as in the Electronic Communications Act 2000.

Directors the directors from time to time of the Company or the directors present or deemed to be present at a duly convened meeting of the directors at which a quorum is present.

electronic communication shall where the context so admits, have the same meaning as in the Electronic Communications Act 2000 including, without limitation, email, facsimile, CD Rom audio tape, telephone transmission and publication on the website.

electronic copy, electronic form and electronic means have the meanings given in section 1168 of the 2006 Act.

hard copy and hard copy form have the meanings give in section 1168 of the 2006 Act.

London Stock Exchange London Stock Exchange plc.

month calendar month.

Office the registered office of the Company for the time being.

Paid paid or credited as paid.

Seal any Common Seal of the Company.

Securities Seal an official seal kept by the Company by virtue of sections 39 and 40 of the 1985 Act.

Transfer Office the place where the Register is situate for the time being.

the Register the register of members of the Company kept pursuant to section 352 of the 1985 Act.

Regulations the Uncertificated Securities Regulations 2001 (SI 2001, No. 3755) (as amended by the Uncertificated Securities (Amendment) Regulations 2007 (SI 2007 No. 0124)) including any modification or re-enactment for the time being in force.

the Statutes the 1985 Act, the 2006 Act, the Electronic Communications Act 2000 and every other act, order, regulation or other subordinate legislation made pursuant thereto for the time being in force concerning companies and affecting the Company.

Stock Exchange Nominee Company a company formed by a member of the London Stock Exchange solely to hold assets as a nominee for others regulated by the rules of the London Stock Exchange.

UK Listing Authority the Financial Services Authority acting in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000.

the United Kingdom Great Britain and Northern Ireland.

uncertificated share (subject to Regulation 42(11)(a) of the Regulations) a share in the capital of the Company title to which is recorded on the operator register of members of the Company and which may, by virtue of the Regulations, be transferred by means of a relevant system and references in these articles to a share being held in uncertificated form shall be construed accordingly.

in writing and written means in the context of electronic communications and documents, contained therein; and, in a communication or document which can be received in legible form or which can be made legible following receipt in a form which is not legible and in cases of communications and documents which are not electronic communications, means that which is legible before being sent or otherwise supplied and which does not change form during that process.

year calendar year.

- 2.2 The expression "Secretary" shall mean the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company, including a Joint, Assistant or Deputy Secretary.
- 2.3 Words importing the masculine gender include the feminine gender. Words importing persons include bodies corporate and unincorporated associations.
- 2.4 Subject as aforesaid any words or expressions defined in the 2006 Act shall (if not inconsistent with the subject or context) bear the same meaning in these Articles. Any words or expressions to which a particular meaning is given in both the 1985 Act and the 2006 Act, in each case as in force when these Articles are adopted, shall have the meaning given in the 2006 Act, except where such word or expression is otherwise defined in these Articles.
- 2.5 Subject to Article 2.4, reference to any act, statute or statutory provision shall include any statutory modification, amendment or re-enactment thereof and every other act, order, regulation or other subordinate legislation made pursuant thereto from time to time in force.
- 2.6 A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provisions of these Articles.

2.7 The headings are inserted for convenience only and shall not affect the construction of these Articles.

3. **SHARE CAPITAL**

The authorised share capital of the Company at the date of the adoption of these Articles is £2,287,500 divided into 45,750,000 Ordinary Shares of 5p each.

4. **VARIATION OF RIGHTS**

4.1 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 in nominal value of the issued shares of the class, or with the sanction of a Special Resolution passed at a separate General Meeting of such holders (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 Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that-

- (a) The necessary quorum shall be two persons at least holding or representing by proxy (and being authorised to exercise voting rights in respect of) 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 holder who is present shall be a quorum);
- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
- (c) each such holder (whether present in person or by proxy) shall (i) on a show of hands, have one vote; and (ii) on a poll have one vote for every share of the class held by him (or in the case of a proxy, for which he is authorised to exercise voting rights).

4.2 The foregoing provisions of this Article 4 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

4.3 Save as aforesaid, 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.

4.4 Any class of shares issued without the right to vote at General Meetings shall include the words 'non-voting' in the name by which the same is

designated, and where the equity capital of the Company includes shares with different voting rights the designation of each such class (other than the class with the most favourable voting rights attached thereto) shall include the words "limited voting".

5. **ALTERATION OF SHARE CAPITAL**

5.1 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. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

5.2 (a) The Company may from time to time by Ordinary Resolution:-

(i) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

(ii) 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 share capital by the nominal amount of the shares so cancelled;

(iii) 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 amounts the Directors may, as between the holders of shares so consolidated, determine which shares are consolidated into each consolidated share and may, in the case of any shares registered in the name of one holder being consolidated with shares registered in the name of another holder, make such arrangements as may be thought fit for the sale of any consolidated share or any fractions thereof and for the distribution among the persons entitled thereto of the net proceeds of such sale, and for such purpose may appoint some person to transfer any such consolidated share to the purchaser.

5.3 (a) The Company may by Special Resolution reduce its share capital or any capital redemption fund, share premium account or other undistributable reserve in any manner and with and subject to any authority and consent required by law.

(b) The Company may, subject to the provisions of the Statutes and the prior sanction by a special resolution passed at a separate class meeting

of the holders of any class of convertible shares, purchase its own shares.

6. **SHARES**

- 6.1 Except as ordered by a court of competent jurisdiction or 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 Articles 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.
- 6.2 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being in issue and subject to the provisions of the Statutes, 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, and, subject to the provisions of the Statutes, the Company may, on such terms and in such manner as may be set out in these Articles from time to time or, as to the date of redemption only, as may be determined by the Directors prior to the date of issue, issue shares which are, or at the option of the Company are liable, to be redeemed.
- 6.3 Subject to the provisions of the Statutes and any resolution passed by the Company in General Meeting pursuant thereto, all unissued shares 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.
- 6.4 The Company may exercise the powers of paying commissions conferred by the Statutes. Subject to the provisions of the Statutes, AIM Rules or the Listing Rules of the UK Listing Authority or any recognised exchange (within the meaning of the Financial Services and Markets Act 2000) in each case to the extent applicable to the Company from time to time, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares, or partly in one way and partly in the other.
- 6.5 The Directors may at any time after the allotment of any share, but before any person has been entered in the Register as the holder thereof, 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.

7. **SHARE CERTIFICATES**

Uncertificated shares

- 7.1 Unless otherwise determined by the Directors and permitted by the Regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument by virtue of the Regulations. Notwithstanding any provisions of these Articles, the Directors shall have power to implement any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of an uncertificated share (subject always to the Regulations and the facilities and requirements of the relevant system concerned). No provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the holding of shares in uncertificated form.
- 7.2 A member may, in accordance with the Regulations, change a share of a class which is a participating security from a certificated share to an uncertificated share and from an uncertificated share to a certificated share.
- 7.3 Conversion of a certificated share into an uncertificated share, and vice versa, may be made in such manner as the Directors may, in their absolute discretion, think fit (subject always to the Regulations and the facilities and requirements of the relevant system concerned).
- 7.4 The Company shall enter on the Register how many shares are held by each member in uncertificated form and in certificated form and shall maintain the Register in each case as required by the Regulations and the relevant system concerned. Unless the Directors otherwise determine, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.
- 7.5 A class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Articles or the Regulations which applies only in respect of certificated or uncertificated shares.
- 7.6 The provisions of Articles 7.7 to 7.14 inclusive shall not apply to uncertificated shares.

Right to share certificates

- 7.7 Subject to Articles 7.1 to 7.6, every person (except a Stock Exchange Nominee Company in respect of which the Company is not required by law to complete and have ready for delivery a certificate) upon becoming the holder of a certificated share and whose name is entered on the Register shall be entitled within one month after allotment or lodgement of a transfer, as the case may be (unless the terms of issue of the shares provide otherwise), and without charge to one certificate for all the certificated shares of any class registered in his name or, in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares so registered.

- 7.8 Any share certificate (other than letters of allotment, scrip certificates and other like documents) shall be issued under the Seal or under a Securities Seal or in such other manner having the same effect as if issued under the Seal as the Statutes, the rules of the London Stock Exchange, the AIM Rules and/or the UK Listing Authority, in each case to the extent applicable to the Company from time to time, may permit and shall specify the number and class of shares and the distinguishing numbers (if any) to which it relates and the amount paid up thereon. Without limitation to the foregoing, the Directors may, by resolution, decide either generally or in a particular case or cases that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or electronic means or may be printed on them or that the certificates need not be signed by any person.
- 7.9 The Company shall not be bound to register more than four persons as the holder of any 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 therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all.
- 7.10 Where some only of the shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Replacement certificates

- 7.11 Any two or more certificates representing shares of any one class held by any member may at his request and upon surrender of the original certificates be cancelled by the Directors and a single new certificate for such shares issued in lieu without charge.
- 7.12 Two or more certificates representing shares held by any member may at his request be issued to him by the Directors in such proportions as he may specify upon surrender of the original certificate for cancellation and upon payment of such reasonable sum as the Directors may decide.
- 7.13 If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares shall be issued to the holder upon request, subject to delivery up of the old certificate (unless alleged to have been lost, stolen or destroyed), on compliance with such conditions as to evidence and indemnity and the payment of exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit. The Company shall be entitled to cancel any old certificate which has been replaced by a new certificate.
- 7.14 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

8. CALLS ON SHARES

- 8.1 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 minimal value thereof or by way of premium) but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call is passed, and may be made payable by instalments.
- 8.2 Each member shall (subject to receiving at least fourteen clear 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. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be made payable by instalments and may at any time before receipt be revoked or postponed in whole or in part as the Directors may determine.
- 8.3 If any amount called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the amount is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent per annum) as the Directors determine, but the Directors shall be at liberty in any case to waive payment of such interest wholly or in part.
- 8.4 Any amount (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 Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a call duly made and notified.
- 8.5 The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.
- 8.6 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 money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate (not exceeding 15 per cent, per annum) as the member paying such sum and the Directors agree upon.

9. **FORFEITURE AND LIEN**

- 9.1 If a member fails to pay in full any call or instalment of a call on the due date 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 interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

- 9.2 The notice shall name a further day (not being less than seven clear 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.
- 9.3 If the requirements of any such notice are not complied with any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the 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.
- 9.4 A share so forfeited or surrendered shall become the property of the Company and may within three years of such forfeiture 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 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. Any share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture shall thereupon be cancelled in accordance with the provisions of the Statutes.
- 9.5 A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable:
- (a) to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares, with interest thereon at the rate of 15 per cent per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment; and
 - (b) to satisfy any claims and demands which the Company might have enforced in respect of the share at the time of forfeiture or surrender.
- 9.6 The Directors in their absolute discretion may enforce any such payment claim or demand without any allowance for the value of the shares at the time of forfeiture or surrender or may waive payment on satisfaction thereof in whole or in part.
- 9.7 The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in, and all claims and demands against the Company in respect of, the share, and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

- 9.8 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 to the extent and in the circumstances permitted by section 670 of the 2006 Act. The Company shall also have a first and paramount lien on the 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, 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 as a share shall extend to all dividends payable thereon. The Directors may waive any lien which has arisen or may resolve that any share shall for some limited period be exempt, wholly or partially, from the provisions of this Article.
- 9.9 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 clear days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share.
- 9.10 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 debt 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.
- 9.11 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, in the case of certificated shares, the share certificate delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

10. **TRANSFER OF SHARES**

- 10.1 All transfers of uncertificated shares shall be made in accordance with and be subject to the provisions of the Regulations and the facilities and requirements of the relevant system and, subject thereto, in accordance with any arrangements made by the Directors pursuant to Articles 7.1 to 7.6.
- 10.2 All transfers of certificated shares may be effected by transfer in writing in the usual form or in any other form acceptable to the Directors, and in the case of a person or firm may be under hand only or by such other means as is permitted and/or required by the Statutes. If the instrument of transfer of a certificated share is in writing it 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. Whatever the means or form of transfer used of any share (whether certificated or uncertificated) the transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.
- 10.3 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, and either generally or in respect of any class of shares except that, in respect of any shares which are uncertificated shares, the Register shall not be closed without the consent to the operator of the relevant system. The Register shall not be closed for more than thirty days in any year in respect of any one class of shares.
- 10.4 In relation to a certificated share, the Directors may decline to recognise any instrument of transfer or other record of transfer as may be prescribed by the Statutes and/or the London Stock Exchange unless it is in respect of only one class of share, is duly stamped (if so required) and is in favour of a single transferee or not more than four joint transferees and is lodged at the Transfer Office (or 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 it 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 Company 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.
- 10.5 If the Directors refuse to register a transfer they shall, in the case of certificated shares, in accordance with section 771 of the 2006 Act, as soon as is practicable (and in any event within two months after the date on which the transfer was lodged with the Company) send to the transferee notice of the refusal together with reasons for the refusal and (except in the case of fraud) return to him the instrument of transfer or, in the case of uncertificated shares, notify such person as may be required by the Regulations and the requirements of the relevant system concerned. The Directors shall provide the transferee with such further information about the reasons for the refusal as the transferee shall reasonably request.
- 10.6 All instruments of transfer which are registered may be retained by the Company.

- 10.7 No fee will be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.
- 10.8 The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof, all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof, and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof. It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document hereinbefore mentioned so destroyed was a valid and effect document in accordance with the recorded particulars thereof in the books or records of the Company; provided always that:-
- (a) the aforesaid provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (b) 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;
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

11. **TRANSMISSION OF SHARES**

- 11.1 In case of the death of a member the survivor or survivors where the deceased was a joint holder, and the executor 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 held by him.
- 11.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member, or of any other event giving rise to a transmission of such entitlement by operation of law, may, subject as provided in these Articles and upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either be registered himself as a holder of the share upon giving to the Company notice in

writing to that effect, or transfer such share to some other person. If he elects to have another person registered and the share is a certificated share, he shall execute an instrument of transfer of the share to that person. If he elects to have himself or another person registered and the share is an uncertificated share, he shall take any action the Directors may reasonably require (including without limitation the execution of any document and the giving of any instruction by means of a relevant system) to enable himself or that person to be registered as the holder of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the death or bankruptcy of the member or other event had not occurred and the notice or transfer were a transfer by such member.

- 11.3 Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share, except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share, and should he fail either to transfer the share or to elect to be registered as a member in respect thereof within sixty days of being required so to do by the Directors he shall, in the case of shares which are fully paid up, be deemed to have elected to be registered as a member in respect thereof and may be registered accordingly.

12. **GENERAL MEETINGS**

- 12.1 (a) An Annual General Meeting shall be convened and held by the Directors in accordance with the provisions of the 2006 Act and at such place as may be determined by the Directors.
- (b) The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed to convene a General Meeting.

13. **NOTICE OF GENERAL MEETING**

- 13.1 An Annual General Meeting shall be called by twenty-one clear days' notice in writing at the least and any other General Meeting by fourteen clear days' notice in writing at the least. The notice shall in each case be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles entitled to receive such notices from the Company, the Directors and the Auditors; 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 a 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.

- 13.2 (a) Every notice calling a General Meeting (which shall include any notice given by means of a website) shall specify the place, the day and the time 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 pursuant to section 324 of the 2006 Act to appoint one or more proxies to attend, speak and 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 the case of any General Meeting, the notice shall specify the general nature of the business to be transacted; and if any resolution is to be proposed as a Special Resolution, the notice shall contain the text of the special resolution and the intention to propose the resolution as such.

13.3 Where notice is given by means of a website, such notice must be available on the website until the conclusion of the General Meeting.

13.4 All business transacted at a General Meeting shall be deemed special except the following business transacted at an Annual General Meeting:

- (a) sanctioning or declaring dividends;
- (b) receiving and considering the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
- (c) appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (d) appointing or re-appointing Directors in the place of those retiring by rotation or otherwise.

14. **PROCEEDINGS AT GENERAL MEETINGS**

14.1 The Chairman of the Director failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within half an hour from the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number to be chairman of the

meeting. 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 (including any proxy present appointed by a member).

14.2 No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy or, in the case of a body corporate, by duly authorised representative and entitled to vote shall be a quorum for all purposes unless:

(a) each is a member only because he is authorised to act as the representative of a body corporate in relation to the meeting and they are representatives of the same body corporate; or

(b) each is a member only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.

14.3 If within half an hour from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) 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 such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the Directors may determine, and at the adjourned meeting any two members present in person or by proxy or, in the case of a body corporate by duly authorised representative and entitled to vote, shall be a quorum.

14.4 The Directors may direct that members or proxies wishing to attend any General Meeting should submit to such searches or other security arrangements or restrictions as the Directors shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to, or eject from, such General Meeting any member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

14.5 The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place and without such consent he may adjourn any meeting at which a proposal of importance is made for the consideration whereof in his judgement (which shall not be challenged) a larger attendance of members is desirable or the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting or if in his opinion it has become necessary to do so in order to secure the proper and orderly conduct of the meeting, to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or to ensure that the business of the meeting is disposed of properly.

- 14.6 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.
- 14.7 Where 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 clear days' notice of the adjourned meeting shall be given in like manner as in the case of the 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.
- 14.8 If it appears to the chairman of a meeting that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loudspeakers, audio visual communications equipment or otherwise) and whether in the meeting place or elsewhere and to be heard and seen by all other persons so present in the same manner.
- 14.9 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 Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 14.10 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) demanded by (subject to the provisions of the Statutes):
- (a) the chairman of the meeting; or
 - (b) not less than five members entitled to vote on the resolution; or
 - (c) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares held as treasury); or
 - (d) a member or members holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any shares conferring a right to vote on the resolution which are held as treasury shares).

- 14.11 A demand or a poll may be withdrawn. Unless a poll is required, 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, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the 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.
- 14.12 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.
- 14.13 A poll demanded on the election of the chairman of the meeting 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 (not being more than thirty days from the date of the meeting) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
- 14.14 No objection may be made to the qualification of a voter or to the counting of, or failure to count, in a poll, except at the meeting or adjourned meeting at which the poll objected to is given or at which the error occurs. An objection properly made shall be referred to the chairman of the meeting and only invalidates the decision of the meeting on any resolution if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman on such matters is conclusive and binding on all concerned.

15. **VOTES OF MEMBERS**

- 15.1 Subject to the Statutes and to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.
- 15.2 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 joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share.
- 15.3 Where in the United Kingdom or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of

any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy or, in the case of a body corporate, by duly authorised representative at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

15.4 No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy or, in the case of a body corporate, by duly authorised representative at a General Meeting or a meeting of the holders of any class of shares of the Company or to exercise any other rights conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company, if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

15.5 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 793 of the 2006 Act and is in default of such notice for the prescribed period (either by failing to supply to the Company the information thereby required or, in purporting to comply with such notice, by making a statement which is false or inadequate in any material particular) then the Directors may in their absolute discretion at any time thereafter by a notice (a "default notice") to such member specifying the nature of the default, the number of shares concerned and the steps to be taken to remedy such default direct that, in respect of such shares (the "default shares" which expression shall include any further shares which are issued in respect of such shares), the member shall not be entitled to vote either personally or by proxy or, in the case of a body corporate, by duly authorised representative, at a General Meeting of the Company or at a meeting of the holders of any class of shares of the Company or to be reckoned in a quorum or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company.

15.6 Where the default shares represent at least 0.25 per cent. of the issued shares of that class, then the default notice may additionally direct that:-

(a) any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member: and/or

(b) no transfer of any of the shares held by such members shall be registered unless:-

(i) the member is not himself in default as regards supplying the information required and the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied

that none of the shares the subject of the transfer are default shares;
or

(ii) the transfer is an approved transfer.

15.7 The Company shall send to each other person appearing to be interested in any default shares the subject of any default notice a copy of the default notice but the failure or omission by the Company to do so shall not invalidate such notice.

15.8 Any default notice shall have effect in accordance with its terms from the date of its issue until it shall cease to have effect in accordance with Article 15.9.

15.9 A default notice shall cease to have effect:-

- (a) in relation to any default shares which are transferred by any such member by means of an approved transfer from the date of registration of that transfer;
- (b) if the default has been remedied to the satisfaction of the Directors; from the date of their decision and the Directors shall give to such member confirmation of their decision as soon as reasonably practicable thereafter; or
- (c) if the Directors at any time give notice cancelling a default notice; from the date of such notice of cancellation.

15.10 For the purpose of Articles 15.5 to 15.12:-

- (a) A person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said section 793 which either (a) names such person as being so interested or (b) fails to establish the identities of those interested in the shares and (after taking into account the said notification and any other relevant section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the default shares;
- (b) the prescribed period is 28 days from date of service of the notice under the said section 793 except where the default shares represent at least 0.25 per cent. of the issued shares of that class in which case the prescribed period is 14 days from such date; and
- (c) a transfer of shares is an approved transfer if:-
 - (i) it is a transfer of shares to an offeror by way of or in pursuance of acceptance of a takeover offer for a company (as defined in section 974 of the 2006 Act); or

- (ii) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the transferring member and/or with any other person appearing to be interested in such shares; or
 - (iii) the transfer results from a sale made through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.
- 15.11 The Directors shall cause the Register to have noted against the name of the member upon whom a default notice has been served details of such default notice and the number of shares specified therein and shall cause such notice to be deleted upon the default notice ceasing to have effect in accordance with Article 15.9.
- 15.12 Any default notice served by the Directors shall be conclusive against the member concerned and its validity shall not be questioned by any person.
- 15.13 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision thereon shall be final and conclusive.
- 15.14 On a show of hands or 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.
- 15.15 A proxy need not be a member of the Company.
- 15.16 An instrument appointing a proxy shall be in writing in the usual form or in any other form which the Directors may approve (including in electronic form) and:-
- (a) in the case of an individual shall be signed by the appointer or by his attorneys; or
 - (b) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation; or
 - (c) in either case where the appointment of a proxy is to be effected as an electronic communication, signed in the manner and otherwise completed and delivered upon such terms and arrangements stipulated by the Directors.
- The Directors may, but shall not be bound to, require evidence of the authority of any such officer or attorney.
- 15.17 The instrument 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.

- 15.18 An instrument of proxy relating to more than one meeting, having once been so delivered for the purposes of any meeting, shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.
- 15.19 Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment thereof.
- 15.20 An instrument appointing a proxy shall be deemed to include the right to attend and speak at the meeting, to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to or any other business which may properly come before the meeting for which it is given as the proxy thinks fit.
- 15.21 A vote cast or poll demanded by proxy or by the duly authorised representative of a corporation shall not be invalidated by the previous death or incapacity of the principal, or by the revocation of the appointment of the proxy or representative or of the authority under which the appointment was made, unless intimation in writing of such death, incapacity or revocation shall have been received by the Company at the Transfer Office including appointments effected by means of electronic communication or where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received in each case in accordance with Article 15.17 at least 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.
- 15.22 No instrument appointing a proxy shall be valid after the expiration of twelve months from the date referred to in it as the date of its execution, except at an adjournment of a meeting originally held within twelve months from such date.
- 15.23 A member may appoint more than one proxy to attend on the same occasion provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that member. When two or more valid but differing proxies are delivered in respect of the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share and if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so delivered last in time, none of them shall be treated as valid in respect of that share.

16. **CORPORATIONS ACTING BY REPRESENTATIVES**

- 16.1 Pursuant to section 323 of the 2006 Act any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise a person or persons as it thinks fit to act as its representative(s) at any meeting of the Company or of any class of members of the Company. A 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 Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat and all references to attendance and voting in person shall be construed accordingly. A Director or the Secretary or some person authorised for such purpose by the Directors or the Secretary may require a representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.

17. **DIRECTORS**

17.1 Subject as hereinafter provided the Directors shall not be less than three in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors. At least one Director shall be a natural person.

17.2 A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

18. **DIRECTORS' REMUNERATION AND EXPENSES**

18.1 The amount of any fees payable to Directors shall be determined by the Directors provided that they shall not in any year exceed £20,000 or such other sum as may from time to time be approved by Ordinary Resolution. Any such fees shall be divisible among the Directors as they may 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.

18.2 Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy 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, may be paid such remuneration by way of salary, commission or otherwise as the Directors may determine.

18.3 The Company shall repay to any Director all such reasonable expenses as he may incur in attending meetings of the Directors or of any committee of the Directors or General Meetings, or otherwise in or about the business of the Company.

19. **EXECUTIVE DIRECTORS**

19.1 (a) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman, Deputy Chairman, Managing Director or Chief Executive but not that of Auditor) on such terms and for such period (subject to the provision of the Statutes) as they may determine and, without prejudice to the terms of any agreement entered

into in any particular case, may at any time revoke or terminate any such appointment.

- (b) The appointment of any Director to any such executive office shall automatically determine if he ceases from any cause to be a Director, but without prejudice to any claim he may have for damages for breach of any agreement between him and the Company.

19.2 The Directors may entrust to and confer upon any Director holding any executive office 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.

20. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

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

- (a) if he ceases to be a Director by virtue of any provisions of the Statutes, is removed from office pursuant to these Articles or becomes prohibited by law from acting as a Director;
- (b) if, not being an Executive Director holding office as such for a fixed term or other minimum period which has not expired, he resigns by notice in writing under his hand left at the Office or tendered at a board meeting;
- (c) if, being such an Executive Director, he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- (d) if he becomes bankrupt, has a receiving order made against him or makes any arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under the Insolvency Act 1986;
- (e) if in the United Kingdom or elsewhere an order is made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs, or if he is admitted to hospital pursuant to an application for treatment under the Mental Health Act 1983 or the Mental Health (Care & Treatment) (Scotland) Act 2003;
- (f) if he is absent from meetings of the Directors for six consecutive months without leave and the Directors resolve that his office be vacated; or

- (g) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any agreement between him and the Company.
- 20.2 At each Annual General Meeting one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not greater than one-third, shall retire from office by rotation, provided that no Director holding office as Managing or Joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire.
- 20.3 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. 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 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. A retiring Director shall be eligible for re-election.
- 20.4 At the meeting at which a Director retires under any provision of these Articles the Company may 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 unless:-
- (a) 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; or
 - (b) such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
 - (c) the default is due to the moving of a resolution in contravention of Article 20.6.
- 20.5 The retirement of a Director shall not have effect until the conclusion or adjournment 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.
- 20.6 Subject to the Statutes, 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 by the meeting without any vote being given against it, and any resolution moved in contravention of this Article shall be void.

- 20.7 No person, other than a Director retiring at the meeting or a person recommended by the Directors, shall be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing (which may be by facsimile transmitted document but not otherwise by means of an electronic communication), signed by a 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 appointment and also notice in writing (which may be by facsimile transmitted document but not otherwise by means of an electronic communication), signed by the person to be proposed of his willingness to be appointed and stating all such particulars of him as would, on his appointment, be required to be included in the Company's register of Directors.
- 20.8 The Company may by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles 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). The Company may by a like 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 the vacancy arising upon the removal of Director from office may be filled as a casual vacancy.
- 20.9 The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. The Directors shall also have power at any time to make such an appointment but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. 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.

21. **ALTERNATE DIRECTORS**

- 21.1 Any Director may at any time by writing deposited at the Office, or delivered at a meeting of the Directors, or, if an electronic communication, sent to an address specified by the Company for such purposes appoint any person (including another Director) to be his alternate director, and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- 21.2 The appointment of an alternate director shall 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.

21.3 An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally at such meeting to perform all the functions of his appointor as a Director, and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself 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 of the Directors, the foregoing provisions of this Article 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 Articles, but he shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.

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

22. **ASSOCIATE DIRECTORS**

22.1 The Directors may from time to time appoint any manager or other person in the employment of the Company or any subsidiary company of the Company to be an associate director of the Company. Any associate Director so appointed may be removed by resolution of the Directors at any time for any reason and without the giving of any notice in that behalf.

22.2 Until otherwise determined by the Company in General Meeting, the number of associate directors for the time being shall not exceed six.

22.3 An associate director appointed under this Article shall not be required to hold any shares in the Company to qualify him for such office.

22.4 An associate director shall not while he continues to hold office be taken into account in calculating the number to form a quorum at any meeting of the Directors.

22.5 The appointment, continuance in office, removal, powers, duties and remuneration of an associate director shall be determined by the Directors, with full power to make such arrangements as the Directors may think fit.

22.6 An associate director shall not except with and to the extent of the sanction of the Directors:-

- (a) have any right of access to the books of the Company;
- (b) be entitled to receive notice of or to attend at the meetings of the Directors; or
- (c) be entitled to participate in any other respect in the exercise of the collective powers or duties of the Directors or to exercise any of the powers or rights of a Director individually under these Articles, provided that no act shall be done by the Directors which would impose any personal liability on any associate director either under the Statutes or otherwise except with his knowledge and consent;

and shall not in any circumstances be entitled to vote at any meeting of the Directors.

23. **MEETINGS AND PROCEEDINGS OF DIRECTORS**

23.1 Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. 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. Any Director may waive notice of any meeting and any such waiver may be retrospective.

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

23.3 Questions arising at any meeting of the Directors 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.

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

23.5 The Directors may elect a Chairman and Deputy Chairman and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed, or if at any meeting neither be present within thirty minutes after the time appointed for holding the same, the

Directors present may choose one of their number to be chairman of the meeting.

- 23.6 A resolution in writing signed by all the Directors for the time being in the United Kingdom, if constituting a majority of the Directors, shall be as effective as a resolution duly passed at a meeting of the Directors, and may consist of several documents in the like form each signed by one or more Directors. A resolution signed by an alternate director need not also be signed by his appointor.
- 23.7 Any Director or his alternate may validly participate in a meeting of the Directors or a committee of the Directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and entitled to vote. Subject to the Statutes, all business transacted in such manner by the Directors or a committee of the Directors shall for the purposes of these Articles be deemed to be valid and effectively transacted at a meeting of the Directors or a committee notwithstanding that fewer than two Directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 23.8 The Directors may delegate any of their powers or discretion 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. Insofar as any such power or discretion is so delegated any reference in these Articles to the exercise of discretion by the Directors in relation to such power or discretion shall be read and construed as if it were a reference to such committee. 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.
- 23.9 The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under Article 23.9.
- 23.10 All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the

persons acting as aforesaid, or that any such persons 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 member of the committee and had been entitled to vote.

24. **DIRECTORS' INTERESTS**

24.1 The Directors may exercise all the powers of the Company to establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of or who are or were at any time Directors or officers of and holding any salaried employment or office in the Company or any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company or in any company which is a subsidiary undertaking of the Company or of any such other company and the families and dependants of any such persons, and also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company, or of any such persons as aforesaid, and, subject to the Statutes, make payments for or towards the insurance of any such persons as aforesaid, and do any of the matters aforesaid either alone or in conjunction with any such other company.

24.2 Pursuant to, and subject to the provisions of, section 247 of the 2006 Act, the Directors are hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the Company or any of its subsidiary undertakings in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any subsidiary undertaking.

24.3 Without prejudice to the provisions of Article 37 and subject to the Statutes, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time:

- (a) directors, officers or employees (but not the Auditors) of the Company or an associated company (within the meaning of Article 37); or
- (b) any trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act) for the purposes of an employees' share scheme of the Company or an associated company;

including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported exercise, execution and/or discharge of their powers or duties and/or otherwise in relation to their duties, powers or offices in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

- 24.4 The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company, 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 directors or other officers or employees of that company or voting or providing for the payment of remuneration to or the purchase and maintenance of insurance against liability for such officers or employees).

ARTICLES 24.5 to 24.13 - EFFECTIVE UNTIL 1 OCTOBER 2008 OR SUCH LATER DATE AS SECTION 175 OF THE 2006 ACT SHALL BE BROUGHT INTO FORCE.

- 24.5 With effect on and from 1 October 2008 or such later date as section 175 of the 2006 Act shall be brought into force:

- (a) the provisions contained in Articles 24.5 to 24.13 (inclusive) of these Articles shall cease to have any force and/or effect; and
- (b) the provisions contained in Articles 24A.1 to 24A.15 (inclusive) of these Articles shall take full force and effect in substitution for, and to the exclusion of, Articles 24.5 to 24.13 (inclusive) of these Articles.

- 24.6 Subject to the provisions of the Statutes, and provided that he has disclosed to the Directors the nature and extent of any material interest of his in accordance with the Statutes, a Director notwithstanding his office:

- (a) may be a party to or otherwise interested in any contract, transaction or arrangement with the Company or in which the Company is otherwise interested (including any insurance against any liability purchased or maintained by the Company for him or his benefit);
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- (c) may hold any other office or place of profit under the Company (except that of auditor or auditors of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity to the Company and in any such case on such terms as to remuneration and otherwise as the Directors may arrange either in addition to or in lieu of any remuneration provided for by any other of these Articles; and
- (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- 24.7 Save as otherwise provided by these Articles, a Director shall not vote in respect of any resolution of the Directors or a committee of the Directors concerning any contract, transaction, arrangement or any other proposal whatsoever to which the Company is or is to be a party and in which he (together with any interest of any person connected with him within the meaning of section 252 of the 2006 Act) 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.
- 24.8 Save as otherwise provided by these Articles, a Director shall (in the absence of any interest which, together with any interest of any person connected with him within the meaning of section 252 of the 2006 Act, is a material interest, other than as indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:
- (a) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
 - (b) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) any contract, transaction, arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
 - (d) any contract, transaction, arrangement or proposal to which the Company is or is to be a party concerning any other body corporate in which he (together with any persons connected with him) do not to his knowledge hold an interest in shares (as that term is used in Part 22 of the 2006 Act) representing one per cent. or more of either any class of the equity share capital or the voting rights in such body corporate;
 - (e) any contract, transaction, arrangement or proposal for the benefit of the employees of the Company or any of its subsidiary undertakings and which does not award any Director any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
 - (f) any contract, transaction, arrangement or proposal concerning any insurance against liability which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors or group of persons who include Directors provided that for the purposes

of this Article, “insurance” means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Articles 24.3 and 37 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors;

- (g) any indemnification (including loans made in connection with it) by the Company in relation to the performance of his duties on behalf of the Company or any of its subsidiary undertakings.

24.9 A Director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, transaction or arrangement with the Company shall declare the nature of his interest at the Directors' meeting at which the question of entering into the contract, transaction or arrangement is first considered if he knows his interest then exists or, in any other case, at the first Directors' meeting after he knows that he is or has become so interested.

24.10 For the purposes of Article 24:

- (a) an interest of a person who is, for any purpose of the 2006 Act (excluding any such modification thereof not in force when these Articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has;
- (b) a general notice given to the Directors at a meeting that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any contract, transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his;
- (d) if any question arises at any meeting as to the materiality of a Director's interest (other than the chairman's interest) or as to the entitlement of any Director (other than the chairman) to vote or be counted in the quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman and his ruling in relation to any such Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned has not been fairly disclosed; and
- (e) if any question arises at any meeting as to the materiality of the chairman's interest or as to the entitlement of the chairman to vote or

be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the chairman) whose majority vote shall be final and conclusive except in a case where the nature or extent of the interests of the chairman has not been fairly disclosed.

- 24.11 Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not by the proviso to Article 24.7 or Article 24.8(d) or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.
- 24.12 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote. If a question arises at a meeting of the Directors or of a committee of the Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or if the Director concerned is the Chairman, to the other Directors at the meeting) and his ruling in relation to any Director (or, as the case may be, the ruling of the majority of the other Directors in relation to the chairman) shall be final and conclusive.
- 24.13 Subject to the provisions of the Statutes, the Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any contract, arrangement or transaction not duly authorised by reason of a contravention of this Article provided that nothing in this Article shall permit the Company to cease to comply with the AIM Rules or the Listing Rules of the UK Listing Authority in each case to the extent applicable to the Company from time to time.

ARTICLES 24A.1 to 24A.15 - EFFECTIVE ON AND FROM 1 OCTOBER 2008 OR SUCH LATER DATE AS SECTION 175 OF THE 2006 ACT SHALL BE BROUGHT INTO FORCE.

- 24A.1 For the purposes of section 175 of the 2006 Act, the Directors may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company.
- 24A.2 Any such authorisation granted under Article 24A.1 will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
 - (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 24A.3 The Directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted.
- 24A.4 The Directors may vary or terminate any such authorisation at any time.
- 24A.5 For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 24A.6 Provided that he has disclosed to the board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the 2006 Act apply, in which case no such disclosure is required), a Director notwithstanding his office:
 - (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; and
 - (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.
- 24A.7 A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:
 - (a) the acceptance, entry into or existence of which has been approved by the board pursuant to Article 24A.1 (subject, in any such case, to any limits or conditions to which such approval was subject); or
 - (b) which he is permitted to hold or enter into by virtue of Articles 24A.6 above, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the 2006 Act.

- 24A.8 Any disclosure required by Article 24A.6 may be made at a meeting of the board, by notice in writing or by general notice or otherwise in accordance with section 177 of the 2006 Act.
- 24A.9 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the board pursuant to Article 24A.1. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he fails:
- (a) to disclose any such information to the board or to any Director or other officer or employee of the Company; and/or
 - (b) to use or apply any such information in performing his duties as a Director of the Company.
- 24A.10 Where the existence of a Director's relationship with another person has been approved by the board pursuant to Article 24A.1 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he:
- (a) absents himself from meetings of the board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
 - (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,
- in each case, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists.
- 24A.11 The provisions of Articles 24A.9 and 24A.10 are without prejudice to any equitable principle or rule of law which may excuse the Director from:
- (a) disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
 - (b) attending meetings or discussions or receiving documents and information as referred to in Article 24A.10, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

- 24A.12 Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the board or of a committee of the board on any resolution concerning a matter in which he has, directly or indirectly, an interest (other than by virtue of his interests in shares or debentures or other securities of or in or otherwise through the Company) which is material or a duty which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because one of the following Articles applies (in which case he may vote and be counted in the quorum):
- (a) the resolution relates to the giving to him or any other person of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him or by any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
 - (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
 - (c) his interest arises by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares, debentures, or other securities by the Company or any of its subsidiary undertakings for subscription, purchase or exchange;
 - (d) the resolution relates to 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 does not hold an interest in shares (as that term is used in Part 22 of the 2006 Act) representing one per cent. or more of either any class of the equity share capital of such company or of the voting rights available to members of such company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);
 - (e) the resolution relates to any arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
 - (f) the resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company or for persons who include Directors of the Company provided that for the purposes of this Article, "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Articles 24.3 and 37 or any other insurance which the Company is empowered to purchase

and/or maintain for or for the benefit of any groups of persons consisting of or including Directors;

- (g) the resolution relates to the indemnification (including loans made in connection with it) by the Company in relation to the performance of his duties on behalf of the Company or any of its subsidiary undertakings.

24A.13 Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not by the proviso to Article 24A.12(d) or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

24A.14 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote. If a question arises at a meeting of the board or of a committee of the board as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting (or if the Director concerned is the chairman, to the other Directors at the meeting) and his ruling in relation to any Director (or, as the case may be, the ruling of the majority of the other Directors in relation to the chairman) shall be final and conclusive.

24A.15 Subject to the provisions of the Statutes, the Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any contract, arrangement or transaction not duly authorised by reason of a contravention of this Article provided that nothing in this Article shall permit the Company to cease to comply with the AIM Rules or the Listing Rules of the UK Listing Authority in each case to the extent applicable to the Company from time to time.

25. **BORROWING POWERS**

25.1 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

25.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings, so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate principal amount (together with any fixed or minimum premium payable as final repayment or redemption) for the time being remaining

outstanding in respect of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiary undertakings for the time being) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of an Ordinary Resolution of the Company, exceed an amount equal to the higher of £20,000,000 or four times the Adjusted Capital and Reserves.

25.3 For the purposes of this Article 25 “the Adjusted Capital and Reserves” means the aggregate from time to time of:-

- (a) the amount paid up or credited as paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve fund and any credit balance on profit and loss account) of the Company and its subsidiary undertakings

all as shown by the latest available audited balance sheet but:-

- (i) adjusted as may be appropriate to reflect any variation since the date of the said balance sheet in the amount of such share capital, in the amount standing to the credit of such reserves (other than variations in the profit and loss account arising from normal trading) and in interests in subsidiary undertakings;
- (ii) adjusted to take account of any subsidiary undertaking the balance sheet of which was not consolidated with the said balance sheet;
- (iii) excluding therefrom such amounts, if any, as are attributable to minority interests in subsidiary undertakings;
- (iv) deducting therefrom any debit balance on the consolidated profit and loss account, except to the extent that such deduction has already been reflected in the said balance sheet;
- (v) excluding therefrom (if not otherwise taken into account) any sum set aside for taxation, other than sums set aside in respect of taxation equalisation and deferred taxation;
- (vi) deducting therefrom any amount distributed or proposed to be distributed to members of the Company and minority shareholders in subsidiary undertakings out of profits earned down to the dates of and not provided for in the relevant balance sheets;
- (vii) deducting therefrom any amounts attributable to goodwill (other than goodwill arising only on consolidation) and other intangible assets; and

- (viii) after making such other adjustments (if any) as the Auditors consider appropriate.

25.4 For the purposes of this Article 25:-

- (a) The following shall (except in so far as otherwise taken into account) be deemed to be included in the expression “moneys borrowed”:-
 - (i) The nominal or principal amount of any share capital, moneys borrowed or other indebtedness of any person or body, whether corporate or unincorporated, the beneficial interest wherein or the right to repayment whereof is not for the time being owned by, and the repayment whereof is guaranteed or secured by or is the subject of an indemnity given by, the Company or by a subsidiary undertaking;
 - (ii) The principal amount raised by the Company or by a subsidiary undertaking by acceptances (not being acceptances in relation to the purchase of goods in the ordinary course of trading the accounts raised whereunder are to remain outstanding for not more than 180 days) or under any acceptance credit opened on its behalf and in its favour by any bank or accepting house;
 - (iii) The principal amount for the time being owed in respect of any loan capital or other debenture of the Company or a subsidiary undertaking, whether issued in whole or in part for cash or otherwise, and
 - (iv) The nominal amount of any issued share capital of any subsidiary undertaking (not being equity share capital which as regards capital has rights no more favourable than those attached to its ordinary share capital) not for the time being beneficially owned by the Company or another subsidiary undertaking which is wholly owned;
- (b) moneys borrowed or raised by, and intended to be applied within six months of first being so borrowed or raised in repaying moneys borrowed by, the Company or a subsidiary undertaking shall, pending such application or the expiry of such period whichever shall be the earlier, be deemed not to be moneys borrowed;
- (c) moneys borrowed by a partly-owned subsidiary undertaking (after excluding any moneys borrowed owing between undertakings in the Group) shall be deemed to be reduced by an amount equal to the minority proportion (namely the proportion of the equity share capital of the partly-owned subsidiary undertaking which is not beneficially owned directly or indirectly by the Company) of such moneys borrowed; moneys borrowed by the Company or subsidiary undertaking from a partly-owned subsidiary undertaking, which would fall to be excluded as being moneys borrowed owing between undertakings in the Group, shall nevertheless be included to the extent

of an amount equal to such minority proportion of such moneys borrowed;

- (d) moneys borrowed by the Company or a subsidiary undertaking from bankers or others for the purpose of financing any contract in respect of which any part of the price receivable is guaranteed or insured to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured, shall be deemed not to be moneys borrowed;
- (e) moneys borrowed shall not include any moneys borrowed which are for the time being deposited with H.M. Revenue and Customs or other body, or equivalent body in the Channel Islands or in the Republic of Ireland, designated by any relevant legislation or order in connection with import deposits or any similar governmental scheme to the extent that the Company or subsidiary undertaking making such deposit retains its interest therein;
- (f) a sum equal to the amount of moneys borrowed of an undertaking which becomes a subsidiary undertaking after the date of adoption of these Articles, and which are outstanding at the date when such undertaking becomes a subsidiary undertaking, shall for the period of six months from the date of such event be deemed not to be moneys borrowed;
- (g) any undertaking which it is proposed shall become or cease to be a subsidiary undertaking contemporaneously with any relevant transaction shall be treated as if it had already become or ceased to be a subsidiary undertaking;
- (h) for the avoidance of doubt, amounts prospectively payable for the hire or lease of movable or immovable property shall not be deemed to be moneys borrowed notwithstanding that a capital amount in respect of such amounts may be included as a liability in the balance sheet;
- (i) when the aggregate amount of moneys borrowed required to be taken into account for the purposes of this paragraph on any particular day is being ascertained, any such moneys denominated or repayable (or repayable at the option of any person other than the Company or a subsidiary undertaking) in a currency other than sterling shall be translated for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that day in London, provided that any of such moneys shall be translated at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less; and
- (j) no moneys borrowed shall be included in the same calculation more than once.

25.5 A certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of moneys borrowed, or to the effect

that the limit imposed by this Article 25 has not been or will not be exceeded at any particular time or times, shall be conclusive evidence of such amount or fact for the purposes of this Article 25.

- 25.6 No lender or other person dealing with the Company shall be concerned to see or enquire whether the limit contained in this Article 25 is observed. No debt incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security, at the time when the debt was incurred or security given, that the limit hereby imposed had been, or would thereby be, exceeded.

26. **GENERAL POWERS OF DIRECTORS**

- 26.1 The business 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 Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulations, being not inconsistent with the Statutes or these Articles, 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.

27. **SECRETARY**

- 27.1 Subject to the Statutes, 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 if any agreement between him and 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 Assistant or Deputy Secretaries.

28. **THE SEAL**

- 28.1 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 of a committee authorised by the Directors in that behalf. Every instrument to which either shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors, save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical or electronic signature. 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.

28.2 Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors or by one Director in the presence of a witness and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the Directors or a committee authorised by the Directors in that behalf.

29. **AUTHENTICATION OF DOCUMENTS**

29.1 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the 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 extract is a true and accurate record of proceedings at a duly constituted meeting.

30. **RESERVES**

30.1 Subject to the Statutes, the Directors may from time to time set aside out of the profits of the Company 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 the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special fund, into which the reserve may have been divided. The Director may also without placing the same to reserve carry forward any profits.

31. **DIVIDENDS**

31.1 Subject to the provisions of the Statutes and of these Articles, the Company may by Ordinary Resolution declare dividends, but no such dividend shall exceed the amount recommended by the Directors.

31.2 Subject to the Statutes, if and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and 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 declare and 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.

- 31.3 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.
- 31.4 No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.
- 31.5 Subject to the provisions of the Statutes, where any property or business is bought by the Company as from a past date the profits and losses thereof as from such date may, at the discretion of the Directors, be carried and to the whole or any part thereof 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.
- 31.6 No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
- 31.7 The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.
- 31.8 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.
- 31.9 The Directors may defer payment of any dividend payable on or in respect of a share in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such share or shall transfer the same.
- 31.10 The waiver, in whole or in part, of any dividend on any share by any document (whether or not executed as a deed) 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 and to the extent that the same is accepted as such or acted upon by the Company.
- 31.11 The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share in to a separate account shall not constitute the Company a trustee in respect thereof, and 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.

- 31.12 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, may fix the value for a distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 31.13 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.
- 31.14 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 on or in respect of the share.
- 31.15 Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article 31 shall mutatis mutandis apply to capitalisation to be effected pursuant to Article 32.1.

32. **CAPITALISATION OF PROFITS AND RESERVES**

- 32.1 The Directors may with the authority of an Ordinary Resolution of the Company:-

- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium or capital redemption reserve;
- (b) appropriate the sum resolved to be capitalised to the holders of the Ordinary Shares in proportion to the nominal amounts of the Ordinary Shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if those shares were fully paid and that sum was then distributable and it were distributed by way of dividend, and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to holders of the Ordinary Shares credited as fully paid;
- (c) resolve that any shares so allotted to any member in respect of a holding by him of any Ordinary Shares which are not fully paid shall rank for dividend only to the extent that the latter shares rank for dividend;
- (d) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this Article in fractions (including provision for fractional entitlements to be disregarded or the benefit thereof to accrue to the Company rather than to the members otherwise entitled thereto); and
- (e) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

33. **ACCOUNTS**

- 33.1 Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account, book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Directors.

33.2 A copy of every balance sheet and profit and loss account and every Directors' and Auditors' report on the same which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one clear 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 Articles, save that the Company may send a summary financial statement to members of the Company instead of its full accounts and report as permitted by the Statutes.

33.3 This Article shall not require a copy of the documents referred to in Article 33.2 to be sent to any member to whom a summary financial statement is sent in accordance with the Statutes and provided further that this Article shall not require a copy of such documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware.

33.4 Any documents required or permitted to be sent by the Company to a person pursuant to Article 33.2 or 33.3 may be sent by electronic communication to an address for the time being notified by that person for that purpose.

33.5 Any member or holder of debentures to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

33.6 If all or any of the shares or debentures of the Company shall for the time being be listed or traded on the London Stock Exchange, there shall be forwarded to the appropriate officer of the London Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

34. **AUDITORS**

34.1 Subject to the provisions of the Statutes, all acts done by any persons acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment or subsequently became disqualified.

34.2 The Auditors shall be entitled to attend all General Meetings, 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 them as Auditors.

35. **NOTICES**

35.1 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 to the member, or by serving or sending it by means of electronic communication to an address for the time being notified to the Company for that purpose, or by other means authorised in writing by or on behalf of the member concerned.

- 35.2 Subject to the provisions of the Statutes, where a notice or other document addressed to a member at his registered address or address for service in the United Kingdom is served or sent by post, service or delivery shall be deemed to be given on the first day following that on which the same is posted if prepaid as first class and on the second day after it is posted if prepaid as second class and in proving such service it shall be sufficient to prove that the envelope containing such note or document was properly addressed, prepaid and posted.
- 35.3 Where a notice or other document is served or sent to a member by means of electronic communication made in accordance with or pursuant to these Articles the notice or document shall be deemed to be served upon or received by the member 48 hours after the time it was sent. In proving service of a notice or document contained in an electronic communication it shall be sufficient to prove that the notice or document was sent in accordance with guidance from time to time issued by the Institute of Chartered Secretaries and Administrators notwithstanding that the Company becomes aware that the member has failed to receive the relevant document or information for any reason and notwithstanding that the Company subsequently sends a hard copy of such document or information by post to the member.
- 35.4 Any notice or document left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day it was so left.
- 35.5 A member present in person or by proxy at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received due notice of the meeting and, where requisite, of the purposes for which it was called.
- 35.6 Any notice given to that one of the joint holders of a share whose name stands first in the Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose 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.
- 35.7 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. Without prejudice to the generality of the foregoing such member shall not be entitled to receive any notice or other document from the Company even if he has supplied an address for the purpose of receiving electronic communications.

- 35.8 A member whose registered address is not with an EEA State and who sends to the Company an address within an EEA State at which a document or information may be sent to him shall be entitled to have the document or information sent to him at that address (provided that, in the case of a document or information sent by electronic means, including without limitation any notification required by the Statutes that the document or information is available on a website, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion including, without limitation, in circumstances in which the Company considers that the sending of the document or information to such address using electronic means would or might infringe the laws of any other jurisdiction) but otherwise:
- (a) no such member shall be entitled to receive any document or information from the Company; and
 - (b) without prejudice to the generality of the foregoing, any notice of a General Meeting of the Company which is in fact sent or purports to be sent to such member shall be ignored for the purpose of determining the validity of the proceedings at such General Meeting.
- 35.9 Nothing in these Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.
- 35.10 A person entitled to a share in consequence of the death or bankruptcy of a member, or otherwise by operation of law, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share and upon supplying also an address within the United Kingdom for the service of notices and documents (which, for the avoidance of doubt, may be an address for electronic communications), shall 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 or other event 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.
- 35.11 Until an address has been supplied in accordance with Article 35.9, any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.
- 35.12 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or of means of electronic communication, or other circumstances beyond the Company's control, the Company is unable effectively to convene a General Meeting by notices sent through the post or (in the case of those members in respect of whom an address has for the time

being been notified to the Company for the purpose) by electronic communication, a General Meeting may be convened by a notice advertised on the same date in at least one United Kingdom national daily newspaper 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. If advertised in more than one newspaper, the advertisements shall appear on the same date. In any such case the Company shall send confirmatory copies of the notice by post or by electronic communication if at least seven clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom or the sending of notices by electronic communication again becomes, in the opinion of the Directors, practicable.

- 35.13 Every person who, by operation of law, by transfer(s) or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice served by the Company under section 793 of the 2006 Act) which, before his name is entered in the Register, has been duly served on or delivered to a person from whom he derives his title.
- 35.14 Notwithstanding anything in these Articles to the contrary, but subject to the Statutes, any notice or other document to be given or sent to any person by the Company is also to be treated as given or sent where:
- (a) the Company and that person have agreed that any notice or other document required to be given or sent to that person may instead be accessed by him on a website;
 - (b) the meeting (in the case of a notice of meeting) or other document (in any other case) is one to which that agreement applies;
 - (c) that person is notified, in a manner for the time being agreed between him and the Company, of the publication of the notice or (as the case may be) other document on a website, the address of the website and the place on that website where the notice or (as the case may be) other document may be accessed and how it may be accessed;
 - (d) in the case of a notice of meeting, such notice of meeting is published in accordance with Article 35.15 below and the notification referred to in Article 35.14(d) states that it concerns a notice of a company meeting served in accordance with the Statutes specifies the place, date and time of the meeting; and states whether the meeting is to be an Annual or General Meeting; and
 - (e) in the case of a document referred to in section 423 of the 2006 Act, and in the case of a document comprising a summary financial statement referred to in section 426 of the 2006 Act, such document is published in accordance with Article 35.15;

and, in the case of a notice of meeting or other document so treated, such notice or other document is to be treated as so given or sent, as the case may be, at the time of the notification mentioned in Article 35.14(d).

35.15 Notwithstanding anything in these Articles to the contrary, but subject to the Statutes, where a notice of meeting or other document is required by Article 35.14(d) or 35.14(e) to be published in accordance with this Article 35.15, it shall be treated as so published only if:

- (a) in the case of the notice of meeting, the notice is published on the web site throughout the period beginning with the giving of the notification referred to in Article 35.14(c) and ending with the conclusion of the relevant meeting; and
- (b) in the case of a document referred to in Article 35.14(e), the document is published on the website throughout the period beginning at least 21 clear days before the date of the relevant meeting and ending with the conclusion of the meeting and the notification referred to in Article 35.14(c) is given not less than 21 clear days before the date of the meeting,

but so that nothing in this Article 35.14 shall invalidate the proceedings of the meeting where the notice or other document is published for part, but not all, of the period mentioned in this Article 35.14(a) or, as the case may be, 35.14(b) or is published for any part of that time in a place on the website concerned which is different to that stated and the failure to publish the notice or other document throughout that period at all or in the stated area of the web site is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

35.16 The Directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents by electronic communication by or to the Company and otherwise for the purpose of implementation and/or supplementing the provisions of these Articles and Statutes in relation to electronic communication; and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.

35.17 Where under or pursuant to these Articles a document or communication requires to be signed by a member or other person and the same is contained in or consists of an electronic communication, the Company shall be entitled to treat the same as validly executed and the authentic document or communication of the member or other person and to rely upon the same as such either where the document or other communication incorporates the electronic signature or personal identification details previously allocated by the Company of that member or other person in such form as the Directors may approve or where the document or communication is accompanied by such other evidence as the Directors may require to satisfy themselves as to authenticity.

36. **UNTRACED SHAREHOLDERS**

- 36.1 The Company shall be entitled to sell at the best price reasonably obtainable any share in the Company of a member or to which a person is entitled by transmission if and provided that:
- (a) for a period of not less than 12 years (throughout which period the share shall have been in issue) at least three cash dividends in respect of the share in question have become payable and no cheque, order or warrant sent by the Company through the post in a prepaid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register, or at his last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent, has been cashed or the payment been satisfied by the transfer of funds to a designated bank account and no communication has been received by the Company that would enable the Company to trace such member or the person entitled by transmission and no dividend has been claimed by the person entitled to it;
 - (b) the Company has at the expiration of the period of 12 years referred to in Article 36.1(a) by advertisement in both a national daily newspaper and a newspaper circulating in the area in which the last known address of the member or the person entitled by transmission is located given notice of its intention to sell such share;
 - (c) the Company has not, during the further period of 3 months after the date of the advertisements (or the later advertisement if the two advertisements are published on different dates) and prior to the exercise of the power of sale, received any communication that would enable the Company to trace such member or person entitled by transmission; and
 - (d) if any shares of the Company are listed or traded on the London Stock Exchange, the Company has first given notice in writing to the London Stock Exchange of its intention to sell such share.
- 36.2 To give effect to any such sale the Directors may appoint any person to execute as transferor an instrument of transfer of such share, 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 share. The purchaser shall not be bound to see to the application of the purchase money and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 36.3 The Company shall account to the member or other person entitled to such share for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him, in respect of the same.
- 36.4 Until accounted for to the member or other person entitled to such share the net proceeds of sale shall be carried to a separate account and shall be a permanent debt of the Company. Monies carried to such separate account may for the benefit of the Company either 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. No interest shall be payable in respect of such moneys and the Company shall not be required to account for any money earned on them.

36.5 If during the period of not less than 12 years referred to in Article 36.1(a) or during any period ending on the date when all requirements of Article 36.1 have been satisfied any additional shares have been issued in right of those held at the beginning of, or previously so issued during, such periods and all the requirements of Article 36.1 have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.

37. **INDEMNITY**

37.1 Subject to the provisions of, and so far as may be permitted by, the Statutes, but without prejudice to any indemnity to which he may otherwise be entitled, every Director, alternate director, Secretary or other officer of the Company or an associated company shall be entitled to be indemnified by and out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or in connection with the activities of the Company or an associated company in its capacity of a trustee of an occupational pensions scheme as defined in section 235(6) of the 2006 Act) and/or otherwise in relation to or in connection with his duties, powers or office including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted, or alleged to have been done or omitted, by him as an officer or employee of the Company or an associated company and in which judgement is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted, or in connection with any application under any statute for relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company or an associated company in which relief is granted to him by any court of competent jurisdiction.

37.2 For the purposes of this Article 37, companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.