

THE COMPANIES ACTS 1985 AND 2006

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A PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

MORGAN STANLEY & CO. INTERNATIONAL plc

(adoption approved by special resolution dated 26  
February 2019)

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PRELIMINARY

**Table A** 1. The regulations in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 as in force at the date of the incorporation of the Company shall not apply to the Company.

**Definitions** 2. In these Articles, except where the subject or context otherwise requires:

*Act* means the Companies Act 2006 including any modification or re-enactment of it for the time being in force;

*Articles* means these Articles of association as altered from time to time by special resolution;

*auditors* means the auditors of the Company;

*the board* means the directors or any of them acting as the board of directors of the Company;

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

*director* means a director of the Company;

*dividend* means dividend or bonus;

*entitled by transmission* means, in relation to a share in the capital of the Company, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law;

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

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

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

**paid** means paid or credited as paid;

**register** means the register of members of the Company;

**seal** means the common seal of the Company and includes any official seal kept by the Company by virtue of section 49 or 50 of the Act;

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

**United Kingdom** means Great Britain and Northern Ireland.

**Construction**

3. References to a document or information being **sent, supplied or given** to or by a person mean such document or information, or a copy of such document or information, being sent, supplied, given, delivered, issued or made available to or by, or served on or by, or deposited with or by that person by any method authorised by these Articles, and **sending, supplying** and **giving** shall be construed accordingly.

References to **writing** mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether in electronic form or otherwise, and **written** shall be construed accordingly.

Words denoting the singular number include the plural number and vice versa; words denoting the masculine gender include the feminine gender; and words denoting persons include corporations.

Words or expressions contained in these Articles which are not defined in Article 2 but are defined in the Act have the same meaning as in the Act (but excluding any modification of the Act not in force at the date these Articles took effect) unless inconsistent with the subject or context.

Subject to the preceding two paragraphs, references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force.

Headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles.

In these Articles, (a) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them; (b) the word **board** in the context of the exercise of any power contained in these Articles includes any committee consisting of one or more directors, any director, any other officer of the Company and any local

or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated; (c) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and (d) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power.

#### SHARE CAPITAL AND LIMITED LIABILITY

- Limited liability** 4. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- Shares with special rights** 5. Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the board shall determine.
- Ordinary shares** 6. The ordinary shares of £1 each and the ordinary shares of US\$1 each shall rank equally with respect to voting rights on the basis of one vote for each ordinary share held irrespective of currency denomination.
- A Non-Voting Shares** 7. The rights attached to the Class A non-voting ordinary shares of US\$1 each (the *A Non-Voting Shares*) are as follows:
- (a) the holders of A Non-Voting Shares shall not be entitled to receive notice of, attend, or vote at any general meeting of the Company; and
  - (b) in all other respects, the holders of the A Non-Voting Shares shall rank *pari passu* with the holders of the ordinary shares.
- Residual allotment powers** 8. Subject to the provisions of the Companies Acts and these Articles, relating to authority, pre-emption rights or otherwise and of any resolution of the Company in general meeting passed pursuant to those provisions, and, in the case of redeemable shares, the provisions of Article 9:
- (a) all shares for the time being in the capital of the Company shall be at the disposal of the board; and
  - (b) the board may reclassify, allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them or rights to subscribe for or convert any security into shares to such persons on such terms and conditions and at such times as it thinks fit provided that no share is issued at a discount.
- Redeemable shares** 9. Subject to the provisions of the Companies Acts, and without prejudice to any rights attached to any existing shares or class of shares, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or

the holder. The board may determine the terms, conditions and manner of redemption of shares provided that it does so before the shares are allotted.

**Commissions** 10. The Company may exercise all powers of paying commissions or brokerage conferred or permitted by the Companies Acts. Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

**Trusts not recognised** 11. Except as required by law, the Company shall recognise no person as holding any share on any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share (or in any fractional part of a share) except the holder's absolute right to the entirety of the share (or fractional part of the share).

### VARIATION OF RIGHTS

**Method of varying rights** 12. Subject to the provisions of the Companies Acts, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of allotment of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either:

- (a) with the written consent of the holders of three-quarters in nominal value of the issued shares of the class, which consent shall be in hard copy form or in electronic form sent to such address (if any) for the time being specified by or on behalf of the Company for that purpose, or in default of such specification to the office, and may consist of several documents, each executed or authenticated in such manner as the board may approve by or on behalf of one or more holders, or a combination of both; or
- (b) with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class,

but not otherwise.

**When rights deemed to be varied** 13. For the purposes of Article 12, if at any time the capital of the Company is divided into different classes of shares, unless otherwise expressly provided by the rights attached to any share or class of shares, those rights shall be deemed to be varied by:

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

but shall not be deemed to be varied by the creation or issue of another share ranking equally with, or subsequent to, that share or class of shares or by the purchase or redemption by the Company of its own shares.

## SHARE CERTIFICATES

**Members' rights to certificates** 14. Every member, on becoming the holder of a share shall be entitled, without payment, to one certificate for all the shares of each class held by him (and, on transferring a part of his holding of shares of any class, to a certificate for the balance of his holding of shares). He may elect to receive one or more additional certificates for any of his shares if he pays a reasonable sum determined from time to time by the board for every certificate after the first. Every certificate shall:

- (a) be executed under the seal or otherwise in accordance with Article 149 or in such other manner as the board may approve; and
- (b) specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on the shares.

The Company shall not be bound to issue more than one certificate for shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. Shares of different classes may not be included in the same certificate.

**Replacement certificates** 15. Where a member holds two or more certificates for shares of one class, the board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate for shares of that class.

**Cancellation of certificates** 16. At the request of a member, the board may cancel a certificate and issue two or more in its place (representing shares in such proportions as the member may specify), on surrender of the original certificate and on payment of such reasonable sum as the board may decide.

**Damaged certificates** 17. Where a certificate is worn out or defaced the board may require the certificate to be delivered to it before issuing a replacement and cancelling the original. If a certificate is lost or destroyed, the board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity and to payment of any exceptional out of pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity as the board may decide.

## LIEN

**Company to have lien on shares** 18. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share. The board may at any time (generally or in a particular case) waive any lien or declare any share to be wholly or in part exempt from the provisions of this Article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company's lien (if any) on that share. The Company's lien on a share shall extend to any amount (including without limitation dividends) payable in respect of it.

**Enforcement of lien by sale** 19. The Company may sell, in such manner as the board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently

payable and is not paid within 14 clear days after notice has been sent to the holder of the share, or to the person entitled to it by transmission, demanding payment and stating that if the notice is not complied with the share may be sold.

**Giving effect to sale** 20. To give effect to that sale the board may authorise any person to execute an instrument of transfer in respect of the share sold to, or in accordance with the directions of, the buyer. The buyer shall not be bound to see to the application of the purchase money and his title to the share shall not be affected by any irregularity in or invalidity of the proceedings in relation to the sale.

**Application of proceeds** 21. The net proceeds of the sale, after payment of the costs, shall be applied in or towards payment or satisfaction of so much of the sum in respect of which the lien exists as is presently payable. Any residue shall (on surrender to the Company for cancellation of the certificate in respect of the share sold and subject to a like lien for any moneys not presently payable as existed on the share before the sale) be paid to the person entitled to the share at the date of the sale.

### **CALLS ON SHARES**

**Power to make calls** 22. Subject to the terms of allotment, the board may from time to time make calls on the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium). Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called on his shares as required by the notice. A call may be required to be paid by instalments. A call may be revoked in whole or part and the time fixed for payment of a call may be postponed in whole or part as the board may determine. A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which the call was made are subsequently transferred.

**Time when call made** 23. A call shall be deemed to have been made at the time when the resolution of the board authorising the call was passed.

**Liability of joint holders** 24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.

**Interest payable** 25. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, the rate determined by the board, not exceeding 20 per cent. per annum, or, if higher, the appropriate rate (as defined in the Act), but the board may in respect of any individual member waive payment of such interest wholly or in part.

**Deemed calls** 26. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and notified and payable on the date so fixed or in accordance with the terms of the allotment. If it is not paid the provisions of these

Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

**Differentiation on calls** 27. Subject to the terms of allotment, the board may make arrangements on the issue of shares for a difference between the allottees or holders in the amounts and times of payment of calls on their shares.

**Payment of calls in advance** 28. The board may, if it thinks fit, receive from any member all or any part of the moneys uncalled and unpaid on any share held by him. Such payment in advance of calls shall extinguish the liability on the share in respect of which it is made to the extent of the payment. The Company may pay on all or any of the moneys so advanced (until they would but for such advance become presently payable) interest at such rate as the board may decide (not exceeding 20 per cent. per annum or, if higher, the appropriate rate (as defined in the Act)).

### **FORFEITURE AND SURRENDER**

**Notice requiring payment of call** 29. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

**Forfeiture for non-compliance** 30. If that notice is not complied with, any share in respect of which it was sent may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends or other moneys payable in respect of the forfeited share which have not been paid before the forfeiture. When a share has been forfeited, notice of the forfeiture shall be sent to the person who was the holder of the share before the forfeiture. An entry shall be made promptly in the register opposite the entry of the share showing that notice has been sent, that the share has been forfeited and the date of forfeiture. No forfeiture shall be invalidated by the omission or neglect to send that notice or to make those entries.

**Sale of forfeited shares** 31. Subject to the provisions of the Companies Acts, a forfeited share shall be deemed to belong to the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the board determines, either to the person who was the holder before the forfeiture or to any other person. At any time before sale, re-allotment or other disposal, the forfeiture may be cancelled on such terms as the board thinks fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the board may authorise any person to execute an instrument of transfer of the share to that person. The Company may receive the consideration given for the share on its disposal and may register the transferee as holder of the share.

**Liability following forfeiture** 32. A person shall cease to be a member in respect of any share which has been forfeited and shall surrender the certificate for any forfeited share to the Company for cancellation. The person shall remain liable to the Company for all moneys which at

the date of forfeiture were presently payable by him to the Company in respect of that share with interest on that amount at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the rate determined by the board, not exceeding 20 per cent. per annum or, if higher, the appropriate rate (as defined in the Act), from the date of forfeiture until payment. The board may waive payment wholly or in part or enforce payment without any allowance for the value of the share at the time of forfeiture or for any consideration received on its disposal.

**Surrender** 33. The board may accept the surrender of any share which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

**Extinction of rights** 34. 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 those rights and liabilities expressly saved by these Articles, or as are given or imposed in the case of past members by the Companies Acts.

**Evidence of forfeiture or surrender** 35. A statutory declaration by a director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject if necessary to the execution of an instrument of transfer) constitute a good title to the share. The person to whom the share is disposed of shall not be bound to see to the application of the purchase money, if any, and his title to the share shall not be affected by any irregularity in, or invalidity of, the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

#### **TRANSFER OF SHARES**

**Form and execution of transfer** 36. Without prejudice to any power of the Company to register as shareholder a person to whom the right to any share has been transmitted by operation of law, the instrument of transfer may be in any usual form or in any other form which the board may approve. An instrument of transfer shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer need not be under seal.

**Transfers of shares** 37. The board may, in its absolute discretion, refuse to register the transfer of a share, whether or not it is a fully paid share.

**Invalid transfers of shares** 38. The board may also refuse to register the transfer of a share unless the instrument of transfer:

- (a) is lodged, duly stamped (if stampable), at the office or at another place appointed by the board accompanied by the certificate for the share to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer;
- (b) is in respect of only one class of shares; and



(c) is in favour of not more than four transferees.

**Notice of refusal to register** 39. If the board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, within two months after the date on which the instrument of transfer was lodged with the Company.

**No fee payable on registration** 40. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share.

**Retention of transfers** 41. The Company shall be entitled to retain an instrument of transfer which is registered, but an instrument of transfer which the board refuses to register shall be returned to the person lodging it when notice of the refusal is sent.

### TRANSMISSION OF SHARES

**Transmission** 42. If a member dies, the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest. Nothing in these Articles shall release the estate of a deceased member (whether a sole or joint holder) from any liability in respect of any share held by him.

**Elections permitted** 43. A person becoming entitled by transmission to a share may, on production of any evidence as to his entitlement properly required by the board, elect either to become the holder of the share or to have another person nominated by him registered as the transferee. If he elects to become the holder he shall send notice to the Company to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the share to that person. If he elects to have himself or another person registered, he shall take any action the board may require (including without limitation the execution of any document) to enable himself or that person to be registered as the holder of the share. All the provisions of these Articles relating to the transfer of shares apply to that notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.

**Elections required** 44. The board may at any time send a notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days, the board may after the expiry of that period withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

**Rights of persons entitled by transmission** 45. A person becoming entitled by transmission to a share shall, on production of any evidence as to his entitlement properly required by the board and subject to the requirements of Article 43, have the same rights in relation to the share as he would have had if he were the holder of the share, subject to Article 158. That person may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of, or to attend or vote at, any meeting of the Company or to receive notice of, or to attend or vote at, any separate meeting of the holders of any class of shares in the capital of the Company.

## ALTERATION OF SHARE CAPITAL

New shares  
subject to these  
Articles

46. All shares created by increase of the Company's share capital, by consolidation, division or sub-division of its share capital or the conversion of stock into paid-up shares shall be subject to all the provisions of these Articles, including without limitation provisions relating to payment of calls, lien, forfeiture, transfer and transmission.

Fractions  
arising

47. Whenever any fractions arise as a result of a consolidation or sub-division of shares, the board may on behalf of the members deal with the fractions as it thinks fit. Subject to the provisions of the Companies Acts, the board may, in effecting divisions and/or consolidations, treat a member's shares as separate holdings. In particular, without limitation, the board may:

- (a) sell shares representing fractions to which any members would otherwise become entitled to any person (including, subject to the provisions of the Companies Acts, the Company) and distribute the net proceeds of sale in due proportion among those members or, if the board so decides, retain some or all of the sum raised on a sale for the benefit of the Company; or
- (b) subject to the provisions of the Companies Acts, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub division, leaves a whole number of shares (such allotment or issue being deemed to have been effected immediately before consolidation or sub division, as the case may be).

Fractions: entry  
in register

48. The board may arrange for the shares representing the fractions to be entered in the register as shares and may also authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the buyer. The buyer shall not be bound to see to the application of the purchase moneys and his title to the shares shall not be affected by any irregularity in, or invalidity of, the proceedings in relation to the sale.

49. If shares are allotted or issued pursuant to Article 47 above, the amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 173. In relation to the capitalisation the board may exercise all the powers conferred on it by Article 173 without an ordinary resolution of the Company.

## GENERAL MEETINGS

Annual general  
meetings

50. The board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Acts.

**Class meetings** 51. All provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every separate general meeting of the holders of any class of shares in the capital of the Company, except that:

- (a) the necessary quorum for a meeting at which variation of class rights will be considered or resolved upon is two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the relevant class or, at any such adjourned meeting, one holder present in person or by proxy, whatever the amount of his holding, who shall be deemed to constitute a meeting;
- (b) no member is entitled to notice of such a meeting unless he is a holder of shares of the relevant class;
- (c) no vote may be cast except in respect of a share of the relevant class;
- (d) any holder of shares of the class present in person or by proxy and entitled to vote may demand a poll; and
- (e) each holder of shares of the class shall, on a poll, have one vote in respect of every share of the class held by him.

For the purposes of this Article, where a person is present by proxy or proxies, he is treated only as holding the shares in respect of which those proxies are authorised to exercise voting rights.

**Convening general meetings** 52. The board may call general meetings whenever and at such times and places as it shall determine. On the requisition of members pursuant to the provisions of the Companies Acts, the board shall promptly convene a general meeting in accordance with the requirements of the Companies Acts. At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board. If there are insufficient directors in the United Kingdom to call a general meeting any director of the Company may call a general meeting, but where no director is willing or able to do so, any two members of the Company may summon a meeting for the purpose of appointing one or more directors.

#### **NOTICE OF GENERAL MEETINGS**

**Period of notice** 53. An annual general meeting shall be called by at least 21 clear days' notice. but an annual general meeting may be called by shorter notice if it is so agreed by all the members entitled to attend and vote at the meeting. All other general meetings shall be called by at least 14 clear days' notice but such general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

**Recipients of notice** 54. Subject to the provisions of the Companies Acts, to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be sent to every member (other than those who, under the provisions of the Articles or the terms

of allotment or issue of shares, are not entitled to receive notice). The auditors are entitled to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive.

**Contents of notice: general** of 55. The notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with.

**Contents of notice: additional requirements** of 56. In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of a meeting to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution.

**Accidental omission to send notice etc.** 57. The accidental omission to send a notice of a meeting or resolution, or to send any notification where required by the Companies Acts or these Articles in relation to the publication of a notice of meeting on a website, or to send a form of proxy where required by the Companies Acts or these Articles, to any person entitled to receive it, or the non-receipt for any reason of any such notice, resolution or notification or form of proxy by that person, whether or not the Company is aware of such omission or non-receipt, shall not invalidate the proceedings at that meeting.

**Postponement of general meetings** 58. If the board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting at the time, date or place specified in the notice calling the general meeting, it may move and/or postpone the general meeting to another time, date and/or place. When a meeting is so postponed, notice of the date, time and place of the postponed meeting shall be placed in at least two national newspapers in the United Kingdom. Notice of the business to be transacted at such postponed meeting shall not be required.

#### **PROCEEDINGS AT GENERAL MEETINGS**

**Quorum** 59. No business shall be dealt with at any general meeting unless a quorum is present, but the absence of a quorum shall not preclude the choice or appointment of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, in particular Article 51, one qualifying person present at a meeting and entitled to vote on the business to be dealt with is a quorum. For the purposes of this Article a “qualifying person” means (i) an individual who is a member of the Company, (ii) a person authorised under the Companies Acts to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting.

**If quorum not present** 60. If such a quorum is not present within 15 minutes (or such longer time not exceeding 30 minutes as the chairman of the meeting may decide to wait) from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved, and in any other case shall stand adjourned to such time and place as the chairman of the meeting may determine. At an adjourned meeting the quorum is one qualifying person present and entitled to vote. The adjourned meeting shall be dissolved if a quorum is not present within five minutes after the time appointed for holding the meeting.

**Chairman**

61. The chairman, if any, of the board or, in his absence, any deputy chairman of the Company or, in his absence, some other director nominated by the board, shall preside as chairman of the meeting. If neither the chairman, deputy chairman nor such other director (if any) is present within five minutes after the time appointed for holding the meeting or is not willing to act as chairman, the directors present shall elect one of their number to be chairman. If there is only one director present and willing to act, he shall be chairman. If no director is willing to act as chairman, or if no director is present within five minutes after the time appointed for holding the meeting, the members present in person and entitled to vote shall choose a member present in person to be chairman.

**Chairman's powers**

62. Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the chairman may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of meeting and the chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature. The chairman may invite any person to attend and speak at any general meeting of the Company where he considers that this will assist in the deliberations of the meeting.

**Directors entitled to speak**

63. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of the Company.

**Adjournment: chairman's powers**

64. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place. Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:

- (a) secure the proper and orderly conduct of the meeting;
- (b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
- (c) ensure that the business of the meeting is properly disposed of.

No business shall be dealt with at an adjourned meeting other than business which might properly have been dealt with at the meeting had the adjournment not taken place.

**Adjournment: procedures**

65. Any such adjournment may, subject to the provisions of the Companies Acts, be for such time and to such other place as the chairman may, in his absolute discretion determine, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless appoint a proxy for the adjourned meeting either in accordance with Article 85 or by means of a document in hard copy form which, if delivered at the meeting which is adjourned to the chairman or the secretary or any director, shall be

valid even though it is given at less notice than would otherwise be required by Article 85(a).

**Adjournment: notice** 66. When a meeting is adjourned for 28 days or more or for an indefinite period, notice shall be sent at least seven clear days before the date of the adjourned meeting specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to send any notice of an adjournment or of the business to be dealt with at an adjourned meeting.

**Methods of voting** 67. A resolution put to the vote of a general meeting shall be decided on a show of hands unless before, or on the declaration of the result of, a vote on the show of hands, or on the withdrawal of any other demand for a poll, a poll is duly demanded. Subject to the provisions of the Companies Acts, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) (except on the election of the chairman of the meeting or on a question of adjournment) at least five members present in person or by proxy having the right to vote on the resolution; or
- (c) any member or members present in person or by proxy representing not less than 10% of the total voting rights of all the members having the right to vote on the resolution; or
- (d) any member or members present in person or by proxy holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.

The appointment of a proxy to vote on a matter at a meeting authorises the proxy to demand, or join in demanding, a poll on that matter. In applying the provisions of this Article, a demand by a proxy counts (i) for the purposes of paragraph (b) of this Article, as a demand by the member, (ii) for the purposes of paragraph (c) of this Article, as a demand by a member representing the voting rights that the proxy is authorised to exercise, and (iii) for the purposes of paragraph (d) of this Article, as a demand by a member holding the shares to which those rights are attached.

**Declaration of result** 68. Unless a poll is duly demanded (and the demand is not withdrawn before the poll is taken) a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. An entry in respect of such a declaration in minutes of the meeting recorded in accordance with section 355 of the Act is also conclusive evidence of that fact without such proof.

**Withdrawal of demand for poll** 69. The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll.

**Conduct of poll** 70. Subject to Article 71, a poll shall be taken as the chairman directs and he may, and shall if required by the meeting, appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**When poll to be taken** 71. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either at the meeting or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

**Notice of poll** 72. No notice need be sent of a poll not taken at the meeting at which it is demanded if the time and place at which it is to be taken are announced at the meeting. In any other case notice shall be sent at least seven clear days before the taking of the poll specifying the time and place at which the poll is to be taken.

**Special resolutions** 73. No amendment to a resolution duly proposed as a special resolution (other than an amendment to correct a patent error) may be considered or voted on. Where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

#### **VOTES OF MEMBERS**

**Right to vote on a show of hands** 74. Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a show of hands:

- (a) every member who is present in person shall have one vote;
- (b) subject to paragraph (c), every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote;
- (c) a proxy has one vote for and one vote against the resolution if:
  - (i) the proxy has been duly appointed by more than one member entitled to vote on the resolution, and
  - (ii) the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

**Right to vote on a poll** 75. Subject to any rights or restrictions attached to any shares, on a vote on a resolution on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.

**Votes of joint holders** 76. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of

the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders stand in the register.

**Member under incapacity** 77. A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised for that purpose appointed by that court or official. That receiver, curator bonis or other person may, on a show of hands or on a poll, vote by proxy. The right to vote shall be exercisable only if evidence satisfactory to the board of the authority of the person claiming to exercise the right to vote has been delivered to the office, or another place specified in accordance with these Articles for the delivery of proxy appointments, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised provided that the Company may specify, in any case, that in calculating the period of 48 hours, no account shall be taken of any part of a day that is not a working day.

**Calls in arrears** 78. No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the capital of the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non payment.

**Errors in voting** 79. If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment of the meeting, and, in the opinion of the chairman, it is of sufficient magnitude to vitiate the result of the voting.

**Objection to voting** 80. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is tendered. Every vote not disallowed at such meeting shall be valid and every vote not counted which ought to have been counted shall be disregarded. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

**Voting: additional provisions** 81. On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

#### **PROXIES, CORPORATE REPRESENTATIVES AND INTERESTS IN SHARES**

**Appointment of proxy: form** 82. The appointment of a proxy shall be made in writing and shall be in any usual form or in any other form which the board may approve. Subject thereto, the appointment of a proxy may be:

- (a) in hard copy form; or
- (b) in electronic form, to the electronic address provided by the Company for this purpose.



**Execution of proxy** 83. The appointment of a proxy, whether made in hard copy form or in electronic form, shall be executed in such manner as may be approved by or on behalf of the Company from time to time. Subject thereto, the appointment of a proxy shall be executed by the appointor or any person duly authorised by the appointor or, if the appointor is a corporation, executed by a duly authorised person or under its common seal or in any other manner authorised by its constitution.

**Proxies: other provisions** 84. The board may, if it thinks fit, but subject to the provisions of the Companies Acts, at the Company's expense send hard copy forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in such form as may be approved by the board. Subject to the provisions of the Companies Acts, the Company may send a form of appointment of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent, the form shall provide for two way voting on all resolutions set out in the notice of meeting. A proxy need not be a member and the appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned. 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.

**Delivery/receipt of proxy appointment** 85. Without prejudice to the second sentence of Article 65, the form of appointment of a proxy, and (if required by the board) a power of attorney or other authority under which it is executed or a copy of it notarially certified or certified in some other way approved by the board, shall:

(a) if in hard copy form, be delivered by hand or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:

(i) in the notice convening the meeting; or

(ii) in any form of proxy or other accompanying document sent by or on behalf of the Company in relation to the meeting;

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

(b) if in electronic form, be received at any address to which the appointment of a proxy may be sent by electronic means pursuant to a provision of the Companies Acts or to any other address specified by or on behalf of the Company for the purpose of receiving the appointment of a proxy in electronic form:

(i) in the notice convening the meeting; or

(ii) in any form of proxy sent by or on behalf of the Company in relation to the meeting; or

- (iii) in any invitation to appoint a proxy issued by the Company in relation to the meeting.

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in the case of a meeting adjourned for less than 28 days but more than 48 hours or where a poll is taken more than 48 hours after it is demanded, be delivered or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll; or
- (d) in the case of a meeting adjourned for not more than 48 hours or where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

In calculating the periods mentioned in this Article, the board may specify, in any case, that no account shall be taken of any part of a day that is not a working day.

**Authentication of proxy appointment not made by holder**

86. Where the appointment of a proxy is expressed to have been or purports to have been made, sent or supplied by a person on behalf of the holder of a share:

- (a) the Company may treat the appointment as sufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder; and
- (b) that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of reasonable evidence of the authority under which the appointment has been made, sent or supplied (which may include a copy of such authority certified notarially or in some other way approved by the board), to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid; and
- (c) whether or not a request under this Article has been made or complied with, the Company may determine that it has insufficient evidence of the authority of that person to make, send or supply the appointment on behalf of that holder and may treat the appointment as invalid.

**Validity of proxy appointment**

87. A proxy appointment which is not delivered or received in accordance with Article 85 shall be invalid. When two or more valid proxy appointments are delivered or received in respect of the same share for use at the same meeting, the one that was last delivered or received shall be treated as replacing or revoking the others as regards that share, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy appointment is in respect of the same share, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

Subject to the Companies Acts, the Company may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Articles.

**Rights of proxy** 88. A proxy appointment shall be deemed to entitle the proxy to exercise all or any of the appointing member's rights to attend and to speak and vote, (both on a show of hands and on a poll) on a resolution or amendment of a resolution, at a meeting of the Company in respect of the shares to which the proxy appointment relates. Unless the contrary is stated in it, the appointment of a proxy shall be deemed to confer authority to exercise all such rights as the proxy thinks fit. The proxy appointment shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates. The appointment of a proxy shall be valid for 12 months from the date of execution or, in the case of an appointment of proxy delivered by electronic means, for 12 months from the date of delivery unless otherwise specified by the board.

**Voting in accordance with instructions** 89. The Company shall not be required to check that a proxy or corporate representative votes in accordance with any instructions given by the member by whom he is appointed. Any failure to vote as instructed shall not invalidate the proceedings on the resolution.

**Corporate representatives** 90. Any corporation which is a member of the Company (in this Article the *grantor*) may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. A director, the secretary or other person authorised for the purpose by the secretary may require all or any of such persons to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers. Such person is entitled to exercise (on behalf of the grantor) the same powers as the grantor could exercise if it were an individual member of the Company. Where a grantor authorises more than one person:

- (a) on a vote on a resolution on a show of hands at a meeting of the Company, each authorised person has the same voting rights as the grantor would be entitled to; and
- (b) where paragraph (a) does not apply and more than one authorised person purport to exercise a power in respect of the same shares:
  - (i) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
  - (ii) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

**Revocation of authority** 91. The termination of the authority of a person to act as a proxy or duly authorised representative of a corporation does not affect:

- (a) whether he counts in deciding whether there is a quorum at a meeting;

- (b) the validity of a poll demanded by him at a meeting; or
- (c) the validity of a vote given by that person,
- (d) unless notice of the termination was either delivered or received not later than the last time at which an appointment of proxy should have been delivered or received in order to be valid for use at the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for use on the holding of the poll at which the vote is cast. Such notice of termination shall be either by means of a document in hard copy form delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Company in accordance with Article 85(a) or in electronic form received at the address (if any) specified by or on behalf of the Company in accordance with Article 85(b), regardless of whether any relevant proxy appointment was effected in hard copy form or in electronic form.

**Section notice** 793 92. Where notice is served by the Company under section 793 of the Act (a *section 793 notice*) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the *default shares*, which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the board otherwise decides:

- (a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and
- (b) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
  - (i) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 165 to receive shares instead of a dividend; and
  - (ii) no transfer of any default shares shall be registered unless the transfer is an excepted transfer or:
    - (A) the member is not himself in default in supplying the information required; and
    - (B) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

**Cessation of sanctions** 93. The sanctions under Article 92 above cease to apply seven days after the earlier of:

- (a) receipt by the Company of notice of an excepted transfer, but only in relation to the shares thereby transferred; and
- (b) receipt by the Company, in a form satisfactory to the board, of all the information required by the section 793 notice.

Copy of section 793 notice

94. Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 793 notice to another person, it shall at the same time send a copy of the section 793 notice to the member, but the accidental omission to do so, or the non receipt by the member of the copy, does not invalidate or otherwise affect the application of Articles 92 or 93.

Section 793 notice: defined terms

95. For the purposes of Articles 92 to 94:

- (a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
- (b) *interested* shall be construed as it is for the purpose of section 793 of the Act;
- (c) reference to a person having failed to give the Company the information required by a section 793 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it, and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- (d) the *prescribed period* means 14 days;
- (e) an *excepted transfer* means, in relation to shares held by a member:
  - (i) a transfer pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act); or
  - (ii) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

Without prejudice to Companies Acts

96. The provisions of Articles 92 to 95 are in addition and without prejudice to the provisions of the Companies Acts.

#### APPOINTMENT OF DIRECTORS

Number of directors

97. Unless and until otherwise decided by the Company by ordinary resolution, the number of directors must not be less than two and is not subject to a maximum number.

**Powers of the Company** 98. Any member holding, or members holding, shares to which are attached more than half of the total voting rights of all the members of the Company having at that time a right to attend and vote at general meetings of the Company, by memorandum in writing signed by or on behalf of him or them and delivered to the registered office or tendered at a meeting of the directors or at a general meeting of the Company, may at any time and from time to time appoint any person who is willing to act to be a director either to fill a vacancy or as an addition to the board.

**Appointment by board** 99. Without prejudice to the power of the Company to appoint a person to be a director pursuant to the Articles, the board may appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed any maximum number fixed in accordance with the Articles.

**No share qualification** 100. A director shall not be required to hold any shares in the capital of the Company by way of qualification.

**Power to appoint alternates** to **ALTERNATE DIRECTORS**  
**Power to appoint alternates** to 101. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the board and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.

**No share qualification** 102. An alternate director shall not be required to hold any shares in the capital of the Company by way of qualification and shall not be counted in reckoning the number of directors for the purpose of Article 99.

**Alternates entitled to receive notice** to 103. An alternate director shall, if he gives the Company an address in the United Kingdom at which notices may be served on him or an address at which notices may be served on him by electronic means, be entitled to receive notice of all meetings of the board and of all meetings of committees of the board of which his appointor is a member, to attend and vote at any such meeting at which his appointor is not personally present, and generally to perform all the functions of his appointor (except as regards power to appoint an alternate) as a director in his absence. It shall not be necessary to send notice of such a meeting to an alternate director who is absent from the United Kingdom.

**Alternates representing more than one director** 104. A director or any other person may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the board or any committee of the board to one vote for every director whom he represents (and who is not present) in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

**Expenses and remuneration of alternates** 105. An alternate director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a director but shall not be entitled to receive any remuneration from the Company in respect of his services as an alternate director except such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company from time to time direct.

An alternate director shall be entitled to be indemnified by the Company to the same extent as if he were a director.

**Termination of appointment** of 106. An alternate director shall cease to be an alternate director:

- (a) if his appointor ceases to be a director; or
- (b) on the happening of any event which, if he were a director, would cause him to vacate his office as director; or
- (c) if he resigns his office by notice to the Company.

**Method of appointment and revocation** of 107. Any appointment or removal of an alternate director shall be by notice to the Company by the director making or revoking the appointment and shall take effect in accordance with the terms of the notice (subject to any approval required by Article 103) on receipt of such notice by the Company which shall be in hard copy form or in electronic form sent to such address (if any) for the time being specified by or on behalf of the Company for that purpose.

**Alternate not an agent of appointor** of 108. Except as otherwise expressly provided in these Articles, an alternate director shall be deemed for all purposes to be a director. Accordingly, except where the context otherwise requires, a reference to a director shall be deemed to include a reference to an alternate director. An alternate director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### **POWERS OF THE BOARD**

**Business to be managed by board** of 109. Subject to the provisions of the Companies Acts and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the board which may exercise all the powers of the Company, including without limitation the power to dispose of all or any part of the undertaking of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the board by these Articles. A meeting of the board at which a quorum is present may exercise all powers exercisable by the board.

**Exercise by Company of voting rights** of 110. The board may exercise the voting power conferred by the shares in any body corporate held or owned by the Company in such manner in all respects as it thinks fit (including without limitation the exercise of that power in favour of any resolution appointing its members or any of them directors of such body corporate, or voting or providing for the payment of remuneration to the directors of such body corporate).

#### **DELEGATION OF POWERS OF THE BOARD**

**Committees of the board** of 111. The board may delegate any of its powers to a committee consisting of one or more persons (whether a member or members of the board or not) as it thinks fit. The board may also delegate to any director holding any executive office (including, but without limitation, that of managing director, manager or any salaried officer) such of

its powers as the board considers desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more directors (whether or not acting as a committee) or to any employee or agent of the Company all or any of the powers delegated and may be made subject to such conditions as the board may specify. The board may retain or exclude its right to exercise the delegated powers collaterally with the committee and/or director holding any executive office, as the case may be. Subject to the terms of any agreement entered into, the board may at any time revoke the delegation or alter any terms and conditions.

**Committee proceedings**

112. Subject to any conditions imposed by the board, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of directors so far as they are capable of applying. Where the board resolves to delegate any of its powers to a committee and that resolution states that the committee shall consist of any one or more unnamed directors, it is not necessary to give notice of a meeting of that committee to directors other than the director or directors who form the committee.

**Automatic termination**

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

**Local boards etc.**

114. The board may establish local or divisional boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this Article may be made on such terms and subject to such conditions as the board may decide. The board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

**Agents**

115. The board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in the board) and on such conditions as the board determines, including without limitation authority for the agent to delegate all or any of his powers, authorities and discretions, and may revoke or vary such delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

**Offices including "director" title**

116. The board may appoint any person to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the Company such a designation or title and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that the holder is a director of the Company, and the holder shall not thereby be



empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these Articles.

### DISQUALIFICATION AND REMOVAL OF DIRECTORS

- Disqualification as a director** 117. A person ceases to be a director as soon as:
- (a) that person ceases to be a director by virtue of any provision of the Act, is removed from office pursuant to the Articles or is prohibited from being a director by law;
  - (b) where he has been appointed for a fixed term, the term expires;
  - (c) a bankruptcy order is made against that person;
  - (d) a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - (e) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (f) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
  - (g) notification is received by the Company from the director that the director is resigning or retiring from office, and such resignation or retirement has taken effect in accordance with its terms;
  - (h) that person has been absent for more than six consecutive months without permission of the board from meetings of the board held during that period and his alternate director (if any) has not attended in his place during that period and the board resolves that his office be vacated; or
  - (i) that person receives notice addressed to him at his last-known address and signed by not less than three quarters of the other directors stating that that person should cease to be a director (without prejudice to a claim for damages for breach of contract or otherwise).
- Board resolution conclusive** 118. A resolution of the board declaring a director to have vacated office under the terms of this Article is conclusive as to the fact and grounds of vacation stated in the resolution.
- Power of Company to remove director** 119. Any member holding, or members holding shares to which are attached more than half of the total voting rights of all the members of the Company having at that time a right to attend and vote at general meetings of the Company, by memorandum in writing signed by or on behalf of him or them and delivered to the registered office or tendered at a meeting of the directors or at a general meeting of the Company, may

at any time and from time to time remove any director from office howsoever appointed.

### REMUNERATION AND EXPENSES

**Remuneration** 120. The directors shall be entitled to such remuneration for their services as the Company may from time to time by ordinary resolution determine. Subject to and in default of such determination, each such director shall be paid a fee for their services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the board.

**Directors may be paid expenses** 121. The directors may be paid all reasonable travelling, hotel, and other expenses properly incurred by them in connection with the performance of their duties as director including expenses incurred in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties. Subject to the Companies Acts, the directors shall have the power to make arrangements to provide a director with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purposes of enabling him properly to perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure.

### EXECUTIVE DIRECTORS

**Appointment to executive office** 122. Subject to the provisions of the Companies Acts, the board may appoint one or more of its body to be the holder of any executive office (except that of auditor) in the Company and may enter into an agreement or arrangement with any such director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms, including without limitation terms as to remuneration, as the board determines. The board may revoke or vary any such appointment but without prejudice to any rights or claims which the person whose appointment is revoked or varied may have against the Company because of the revocation or variation.

**Termination of appointment to executive office** 123. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any rights or claims which he may have against the Company by reason of such cessation. A director appointed to an executive office shall not cease to be a director merely because his appointment to such executive office terminates.

**Emoluments to be determined by the board** 124. The emoluments of any director holding executive office (including, but without limitation, that of managing director, manager or any salaried officer) for his services as such shall be determined by the board, and may be of any description, including without limitation admission to, or continuance of, membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

## DIRECTORS' INTERESTS

Authorisation under s175 of the Act

125. For the purposes of section 175 of the Act, the board 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. Any such authorisation 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.

The board 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. The board may vary or terminate any such authorisation at any time.

For the purposes of the 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.

Director may contract with the Company and hold other offices etc

126. Subject to compliance with Article 127, notwithstanding his office:

- (a) a director (or a person connected with the director) may be a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company or in which a Relevant Company is otherwise (directly or indirectly) interested;
- (b) a director (or a person connected with the director) may act by himself or through any firm, of which the director is a partner, employee or member, in a professional capacity for any Relevant 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;
- (c) a director (or a person connected with the director) may be a director or other officer of, or employed by or otherwise interested (including by the holding of shares) in any Relevant Company;
- (d) a director may be, or become, a director or officer of any other body corporate in which the Company does not have an interest if that cannot reasonably be regarded as likely to give rise to a conflict of interest at the time of the director's appointment as director or officer of that other body corporate;
- (e) a director may have an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;

- (f) a director may have an interest, or a transaction or arrangement giving rise to an interest of which the director is not aware; or
- (g) a director may have any other interest authorised by ordinary resolution.

No authorisation under Article 125 shall be necessary in respect of any such interest.

**Notification of interests**

127. A director shall declare the nature and extent of any interest permitted under Article 126, and not falling within this Article 127, at a meeting of the directors, by notice in writing or by general notice or otherwise in such other manner as the directors may resolve.

No declaration of an interest shall be required by a director in relation to an interest:

- (a) falling within Articles 126(e) or 126(f);
- (b) if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of the director's service contract (as defined in section 227 of the Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for this purpose under the Articles.

For the purposes of Article 126, "Relevant Company" shall mean:

- (i) the Company;
- (ii) a subsidiary undertaking of the Company (or subsidiary undertaking of any subsidiary undertaking);
- (iii) any parent undertaking of the Company (or parent undertaking of any parent undertaking) or a subsidiary undertaking of any such parent undertaking;
- (iv) any body corporate of which the director is a director or other officer or employee, or in relation to which the director is party to a transaction or arrangement, or in which the director is otherwise interested, at the request or direction of the Company or any parent undertaking of the Company (or parent undertaking of any parent undertaking) or a subsidiary undertaking of any parent undertaking of the Company (or subsidiary undertaking of any subsidiary undertaking); or
- (v) any body corporate in which the Company is otherwise interested.

**Duty of confidentiality to another person**

128. 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 125. 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 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.

**Consequences of  
authorisation**

129. Where the existence of a director's relationship with another person has been approved by the board pursuant to Article 125 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 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,

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

**Without  
prejudice  
equitable  
principles  
rule of law**

to 130. The provisions of Articles 128 and 129 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 129, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

## **GRATUITIES, PENSIONS AND INSURANCE**

**Gratuities  
and  
pensions**

131. The board may (by establishment of, or maintenance of, schemes or otherwise) provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present director or employee of the Company or any of its subsidiary undertakings or any body corporate associated with, or any business acquired by, any of them, and for any member of his family (including a spouse, a civil partner, a former spouse and a former civil partner) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or

employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

**Insurance**

132. Without prejudice to the provisions of Article 199, the board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was:

- (a) a director, officer or employee of the Company, or any body which is or was the holding company or subsidiary undertaking of the Company, or in which the Company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or such holding company or subsidiary undertaking is or was in any way allied or associated; or
- (b) a trustee of any pension fund in which employees of the Company or any other body referred to in paragraph (a) of this Article are or have been interested,

including without limitation insurance against any liability (including all costs, charges, losses and expenses in relation to such liability) incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

**Directors not  
liable to account**

133. No director or former director shall be accountable to the Company or the members for any benefit provided pursuant to these Articles. The receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

**Section 247 of  
the Act**

134. The board may make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries other than a director or former director or shadow director in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any subsidiary. Any such provision shall be made by a resolution of the board in accordance with section 247 of the Act.

### **PROCEEDINGS OF THE BOARD**

**Convening  
meetings**

135. Subject to the provisions of these Articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit. A director may, and the secretary at the request of a director shall, call a meeting of the board by giving notice of the meeting to each director. Notice of a board meeting shall be deemed to be given to a director if it is given to him personally or by word of mouth or sent in hard copy form to him at his last known address or such other address (if any) as may for the time being be specified by him or on his behalf to the Company for that purpose, or sent in electronic form to such address (if any) for the time being specified by him or on his behalf to the Company for that purpose. A director absent or intending to be absent from the United Kingdom may request the board that notices of board meetings shall during his absence be sent in hard copy form or in electronic form to such address (if any) for the time being specified by him or on his behalf to the Company for that purpose, but such notices need not be sent

any earlier than notices sent to directors not so absent and, if no such request is made to the board (and/or if no such non-United Kingdom address is given), it shall not be necessary to send notice of a board meeting to any director who is for the time being absent from the United Kingdom. No account is to be taken of directors absent from the United Kingdom when considering the adequacy of the period of notice of the meeting. Questions arising at a meeting shall be decided by a majority of votes. Any director may waive notice of a meeting and any such waiver may be retrospective. Any notice pursuant to this Article need not be in writing if the board so determines and any such determination may be retrospective.

**Quorum** 136. The quorum for the transaction of the business of the board may be fixed by the board and unless so fixed at any other number shall be two. A person who holds office only as an alternate director may, if his appointor is not present, be counted in the quorum. Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no director objects.

**Powers of directors if number falls below minimum** 137. If the number of directors is less than the minimum prescribed by the Articles or decided by the Company by ordinary resolution, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, two members may convene a general meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the Articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

**Chairman and deputy chairman** 138. The board may appoint one of their number to be the chairman, and one of their number to be the deputy chairman, of the board and decide the period for which he is or they are to hold office (and may at any time remove either of them from such office). Unless he is unwilling to do so, the director appointed as chairman, or in his stead the director appointed as deputy chairman, shall preside at every meeting of the board at which he is present. If there is no director holding either of those offices, or if neither the chairman nor the deputy chairman is willing to preside or neither of them is present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment or deemed reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by the directors present.

**Validity of acts of the board** 139. All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director or alternate director, shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or any member of the committee or alternate director or that any of them were disqualified from holding office, 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, as the case may be, an alternate director and had been entitled to vote.

**Resolutions in writing** 140. A resolution in writing agreed to by all the directors entitled to vote at a meeting of the board or of a committee of the board but excluding any director whose vote is not to be counted in respect of the matter in question (not being less than the number of directors required to form a quorum of the board) shall be as valid and effectual as if it had been passed at a meeting of the board or (as the case may be) a committee of the board duly convened and held. For this purpose:

- (a) a director signifies his agreement to a proposed written resolution when the Company receives from him a document indicating his agreement to the resolution authenticated in the manner permitted by the Companies Acts for a document in the relevant form;
- (b) the director may send the document in hard copy form or in electronic form to such address (if any) for the time being specified by the Company for that purpose;
- (c) if an alternate director signifies his agreement to the proposed written resolution, his appointor need not also signify his agreement; and
- (d) if a director signifies his agreement to the proposed written resolution, an alternate director appointed by him need not also signify his agreement in that capacity.

**Meetings by telephone etc.** 141. Without prejudice to the first sentence of Article 135, a person entitled to be present at a meeting of the board or of a committee of the board shall be deemed to be present for all purposes if he is able (directly or by electronic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is. The word *meeting* in these Articles shall be construed accordingly.

**Directors' power to vote on contracts in which they are interested** 142. Subject to the Act and without prejudice to his obligations of disclosure under the Act and these Articles, a director may vote at any meeting of the directors or of a committee of the directors on, and be counted in the quorum present at a meeting in relation to, any resolution concerning a contract, transaction or arrangement or any other proposal with the Company or in which the Company is interested, or concerning any other matter in which the Company is interested or concerning any matter or interest authorised under Article 125 or permitted under Article 126, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the Company.



## SECRETARY

Appointment  
and removal of  
secretary

143. The board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary for such term, at such remuneration and on such conditions as it may think fit. The board may remove a person appointed pursuant to this Article from office and appoint another or others in his place, but this shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Any provision of the Companies Acts or of the Articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

## MINUTES

Minutes  
required to be  
kept

144. The board shall cause minutes to be recorded for the purpose of:

- (a) all appointments of officers and committees made by the board and of any remuneration fixed by the board; and
- (b) all proceedings at meetings of the Company, the holders of any class of shares in the capital of the Company, the board and committees of the board, including the names of the directors present at each such meeting.

Period of time  
minutes to be  
kept for

145. All such minutes must be kept for at least 10 years from the date of the meeting.

Conclusiveness  
of minutes

146. Any such minutes, if purporting to be authenticated by the chairman of the meeting to which they relate or of the next meeting, shall be sufficient evidence of the proceedings at the meeting without any further proof of the facts stated in them.

## THE SEAL

Authority  
required  
execution  
deed  
Authority  
required  
execution  
deed

for  
of

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

for  
of

148. The seal shall only be used by the authority of a resolution of the board or of a committee of the board. The board may determine who shall sign any document executed under the seal. If they do not, it shall be signed by at least one director and the secretary or by at least two directors or such other persons as authorised by the board. The board may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Any document may be executed under the seal by impressing the seal by mechanical means or by printing the seal or a facsimile of it on the document or by applying the seal or a facsimile of it by any other means to the document. A document executed, with the authority of a resolution of the board, in any manner permitted by section 44(2) of the Act and expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the seal.

**Certificates for shares and debentures** 149. Unless otherwise decided by the board, any certificate for shares or debentures or representing any other form of security need not be signed or, if signed, may have any signature affixed to it by some mechanical or electronic means, or printed on it or, in the case of a certificate executed under the seal, need not bear any signature.

**Official seal for use abroad** 150. The Company may exercise the powers conferred by the Companies Acts with regard to having an official seal for use abroad, and those powers shall be vested in the board.

## **REGISTERS**

**Overseas and local registers** 151. Subject to the provisions of the Companies Acts and the Regulations, the Company may keep an overseas or local or other register in any place, and the board may make, amend and revoke any regulations it thinks fit about the keeping of that register.

**Authentication and certification of copies and extracts** 152. Any director or the secretary or any other person appointed by the board for the purpose shall have power to authenticate and certify as true copies of and extracts from:

- (a) any document comprising or affecting the constitution of the Company, whether in hard copy form or electronic form;
- (b) any resolution passed by the Company, the holders of any class of shares in the capital of the Company, the board or any committee of the board, whether in hard copy form or electronic form; and
- (c) any book, record and document relating to the business of the Company, whether in hard copy form or electronic form (including without limitation the accounts).

If certified in this way, a document purporting to be a copy of a resolution, or the minutes or an extract from the minutes of a meeting of the Company, the holders of any class of shares in the capital of the Company, the board or a committee of the board, whether in hard copy form or electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting.

## **DIVIDENDS**

**Declaration of dividends** 153. Subject to the provisions of the Companies Acts, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the board.

**Interim dividends** 154. Subject to the provisions of the Companies Acts, the board may pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution. The board may:

- (a) pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividends as well as on shares which confer preferential rights with regard to dividends, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear; and
- (b) pay at intervals settled by it any dividend payable at a fixed rate if it appears to the board that the profits available for distribution justify the payment.

If the board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

**Declaration and payment in different currencies** 155. Except as otherwise provided by the rights attached to shares, dividends may be declared or paid in any currency. Dividends shall be apportioned and paid proportionately to the amounts paid up on the shares in issue, such paid up amounts having been expressed, where appropriate, in the currency of the dividend to be paid, at the Foreign Exchange rate, as quoted on Morgan Stanley's General Ledger Foreign Exchange Rate Inquiry Screen (or as determined by such other method as the board may approve), prevailing at close of business on the business day immediately prior to the day on which the dividend is expected to be paid.

**Apportionment of dividends** 156. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid; but no amount paid on a share in advance of the date on which a call is payable shall be treated for the purpose of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is allotted or issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

**Dividends in specie** 157. Without prejudice to Article 92, a general meeting declaring a dividend may, on the recommendation of the board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, including without limitation paid up shares or debentures of another body corporate. The board may make any arrangements it thinks fit to settle any difficulty arising in connection with the distribution, including without limitation (a) the issuing of fractional certificates (or the ignoring of fractions), (b) the fixing of the value for distribution of any assets, (c) the payment of cash to any member on the basis of that value in order to adjust the rights of members, and (d) the vesting of any asset in a trustee.

**Permitted deductions and retentions** 158. The board may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share. Without prejudice to Article 92, where a person is entitled by transmission to a share, the board may retain any dividend payable (or part of any dividend) in respect of that share until that person (or that person's transferee) becomes the holder of that share or until that person has provided such evidence of their right as the board may reasonably require.

- Procedure for payment to holders and others entitled** 159. Any dividend or other moneys payable in respect of a share may be paid:
- (a) in cash; or
  - (b) by cheque, warrant or money order made payable to or to the order of the holder or person entitled to payment (and may, at the Company's option, be crossed, "account payee" where appropriate; or
  - (c) by any direct debit, bank or other funds transfer system to the holder or person entitled to payment or, if practicable, to a person designated by notice to the Company by the holder or person entitled to payment; or
  - (d) by any other method approved by the board and agreed (in such form as the Company thinks appropriate) by the holder or person entitled to payment.
- Joint entitlement** 160. If two or more persons are registered as joint holders of any share, or are entitled by transmission jointly to a share, the Company may:
- (a) pay any dividend or other moneys payable in respect of the share to any one of them and any one of them may give effectual receipt for that payment; and
  - (b) for the purpose of Article 159, rely in relation to the share on the written direction, designation or agreement of, or notice to the Company by, any one of them.
- Payment by post** 161. A cheque, warrant or money order may be sent by post:
- (a) where a share is held by a sole holder, to the registered address of the holder of the share; or
  - (b) if two or more persons are the holders, to the registered address of the person who is first named in the register; or
  - (c) if a person is entitled by transmission to the share, as if it were a notice to be sent under Article 186; or
  - (d) in any case, to such person and to such address as the person entitled to payment may direct by notice to the Company.
- Discharge to Company and risk** 162. Payment of a cheque or warrant by the bank on which it was drawn or the transfer of funds by the bank instructed to make the transfer shall be a good discharge to the Company. Every cheque or warrant sent or transfer of funds made by the relevant bank or system in accordance with these Articles shall be at the risk of the holder or person entitled. The Company shall have no responsibility for any sums lost or delayed in the course of payment by any method used by the Company in accordance with Article 159.
- Interest payable** 163. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

Forfeiture unclaimed dividends	of	164. Any unclaimed dividend, interest or other amount payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. A dividend unclaimed for a period of 12 years from the date it was declared or became due for payment is forfeited and ceases to remain owing by the Company. The payment of an unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account does not constitute the Company a trustee in respect of it. The Company shall be entitled to cease sending dividend warrants and cheques by post or otherwise to a member if those instruments have been returned undelivered, or left uncashed by, that member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the member's new address. The entitlement conferred on the Company by this Article in respect of any member shall cease if the member claims a dividend or cashes a dividend warrant, cheque or money order.
Payment scrip dividends	of	165. Subject to the provisions of the Companies Acts, but without prejudice to Article 92, the board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or shares in either case credited as fully paid ( <i>new shares</i> ) instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.
Resolution declaring a scrip dividend		166. Where a resolution under Article 157 is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting.
Dividend period		167. A resolution under Article 157 may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.
Basis allotment	of	168. The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the <i>relevant dividend</i> ). For this purpose the <i>average quotation</i> of each of the new shares shall be as determined by or in accordance with the resolution under Article 165. A certificate or report by the auditors as to the value of the new shares to be allotted in respect of any dividend shall be conclusive evidence of that amount.
Provisions relating allotment	to	169. The board may make any provision it considers appropriate in relation to an allotment made or to be made pursuant to Article 165 (whether before or after the passing of the resolution under Article 165), including, without limitation:

- (a) the giving of notice to holders of the right of election offered to them;
- (b) the provision of forms of election (whether in respect of a particular dividend or dividends generally);
- (c) determination of the procedure for making and revoking elections;
- (d) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and
- (e) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned).

**Elected shares** 170. The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the *electd shares*); instead new shares are allotted to the holders of the elected shares on the basis of allotment calculated as in Article 168. For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the board had resolved to effect the capitalisation with the authority of an ordinary resolution of the Company pursuant to Article 173. In relation to the capitalisation the board may exercise all the powers conferred on it by Article 173 without an ordinary resolution of the Company.

**Pari passu ranking** 171. The new shares rank pari passu in all respects with each other and with the fully paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

**Board discretion** 172. In relation to any particular proposed dividend, the board may in its absolute discretion decide:

- (a) that members shall not be entitled to make any election in respect thereof and that any election previously made shall not extend to such dividend; or
- (b) at any time prior to the allotment of the new shares which would otherwise be allotted in lieu thereof, that all elections to take ordinary shares in lieu of such dividend shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it.

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

**Power to capitalise** 173. The board may with the authority of an ordinary resolution of the Company:

- (a) subject to the provisions of this Article, resolve to capitalise any undistributed 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 any reserve or other fund, including without limitation a Company's share premium account, capital redemption reserve and profit and loss account;
- (b) appropriate the sum resolved to be capitalised to the members or any class of members on the record date specified in the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively;
- (c) apply that 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 shares, debentures or other obligations of the Company of a nominal amount equal to that sum 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 shares to be allotted to members credited as fully paid;
- (d) allot the shares, debentures or other obligations 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;
- (e) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £5, or such other sum as the board may decide, the sum may be retained for the benefit of the Company);
- (f) authorise any person to enter into an agreement with the Company on behalf of all the members concerned providing for either:
  - (i) the allotment to the members respectively, credited as fully paid, of any shares, debentures or other obligations to which they are entitled on the capitalisation; or
  - (ii) the payment up by the Company on behalf of the members of the amounts, or any part of the amounts, remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised,

and any agreement made under that authority shall be binding on all such members; and

- (g) generally do all acts and things required to give effect to the ordinary resolution.

### **RECORD DATES**

**Record dates for dividends etc.**

174. Notwithstanding any other provision of these Articles, the Company or the board may:

- (a) fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made;
- (b) for the purpose of determining which persons are entitled to attend and vote at a general meeting of the Company, or a separate general meeting of the holders of any class of shares in the capital of the Company, and how many votes such persons may cast, specify in the notice of meeting a time by which a person must be entered on the register in order to have the right to attend or vote at the meeting; changes to the register after the time specified by virtue of this Article shall be disregarded in determining the rights of any person to attend or vote at the meeting; and
- (c) for the purpose of sending notices of general meetings of the Company, or separate general meetings of the holders of any class of shares in the capital of the Company, under these Articles, determine that persons entitled to receive such notices are those persons entered on the register at the close of business on a day determined by the Company or the board.

### **ACCOUNTS**

**Rights to inspect records**

175. The accounting records shall be kept at the office or, subject to the Companies Acts, at another place decided by the board and shall be available during business hours for the inspection of the directors and other officers. No member shall (as such) have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the board or by ordinary resolution of the Company or order of a court of competent jurisdiction.

**Sending of annual accounts**

176. Subject to the Companies Acts, a copy of the Company's annual accounts and reports for that financial year shall, at least 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the provisions of the Companies Acts, be sent to every member and to every holder of the Company's debentures, and to every person who is entitled to receive notice of meetings from the Company under the provisions of the Companies Acts or of these Articles or, in the case of joint holders of any share or debenture, to one of the joint holders. A copy need not be sent to a person for whom the Company does not have a current address.

177. The board may determine that persons entitled to receive a copy of the Company's annual accounts and reports are those persons entered on the register at the close of business on a day determined by the board.



178. Where permitted by the Companies Acts, a summary financial statement derived from the Company's annual accounts and the directors' report in the form and containing the information prescribed by the Companies Acts may be sent or supplied to a person so electing in place of the documents required to be sent by Article 180.

## COMMUNICATIONS

**When notice required to be in writing** 179. Any notice to be sent to or by any person pursuant to these Articles (other than a notice calling a meeting of the board) shall be in writing.

**Methods of Company sending notice** 180. Subject to Article 179 and unless otherwise provided by these Articles, the Company shall send or supply a document or information that is required or authorised to be sent or supplied to a member or any other person by the Company by a provision of the Companies Acts or pursuant to these Articles or to any other rules or regulations to which the Company may be subject in such form and by such means as it may in its absolute discretion determine provided that the provisions of the Act which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts shall, the necessary changes having been made, also apply to sending or supplying any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject.

**Notice by advertisement** 181. If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent by post, the board may, in its absolute discretion and as an alternative to any other method of service permitted by the articles, resolve to convene a general meeting by a notice advertised in at least one United Kingdom national newspaper. In this case, the Company shall send confirmatory copies of the notice to those members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

**Notice to joint holders** 182. In the case of joint holders of a share any document or information shall be sent to the joint holder whose name stands first in the register in respect of the joint holding and any document or information so sent shall be deemed for all purposes sent to all the joint holders. Anything to be agreed or specified in relation to any document or information to be sent or supplied to joint holders, may be agreed or specified by the joint holder who is named first in the register in respect of the joint holding.

**Registered address outside UK** 183. A member whose registered address is not within the United Kingdom and who sends to the Company an address within the United Kingdom 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 Companies Acts 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.

**Deemed receipt of notice** 184. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the capital of the Company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called.

**Terms and conditions for electronic communications** 185. The board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic means for the sending of notices, other documents and proxy appointments by the Company to members or persons entitled by transmission and by members or persons entitled by transmission to the Company.

**Notice to persons entitled by transmission** 186. A document or information may be sent or supplied by the Company to the person or persons entitled by transmission to a share by sending it in any manner the Company may choose authorised by these Articles for the sending of a document or information to a member, addressed to them by name, or by the title of representative of the deceased, or trustee of the bankrupt or by any similar description at the address (if any) in the United Kingdom as may be supplied for that purpose by or on behalf of the person or persons claiming to be so entitled. Until such an address has been supplied, a document or information may be sent in any manner in which it might have been sent if the death or bankruptcy or other event giving rise to the transmission had not occurred.

**Transferees etc. bound by prior notice** 187. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register, has been sent to a person from whom he derives his title.

**Proof of sending/when notices etc. deemed sent by post** 188. Proof that a document or information was properly addressed, prepaid and posted shall be conclusive evidence that the document or information was sent or supplied. A document or information sent by the Company to a member by post and addressed to a member at his registered address or address for service in the United Kingdom shall be deemed to have been received 72 hours after it was put in the post.

**When notices etc. deemed sent by hand** 189. A document or information sent by the Company to a member by hand shall be deemed to have been received by the member when it is handed to the member or left at his registered address or an address notified to the Company in accordance with Article 183.

**Proof of sending/when notices etc. deemed sent by electronic means** 190. Proof that a document or information sent or supplied by electronic means was properly addressed shall be conclusive evidence that the document or information was sent or supplied. A document or information sent or supplied by the Company to a member in electronic form shall be deemed to have been received by the member 72 hours after it was sent to the member. Such a document or information shall be deemed received by the member 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.

When notices  
etc. deemed sent  
by website

191. A document or information sent or supplied by the Company to a member by means of a website shall be deemed to have been received by the member:

- (a) when the document or information was first made available on the website; or
- (b) if later, when the member is deemed by Article 188, 189 or 190 to have received notice of the fact that the document or information was available on the website. Such a document or information shall be deemed received by the member on that day 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.

When notices  
etc. deemed  
sent by  
advertisement

192. Where notice is given by newspaper advertisement, the notice is deemed to be given to all members and other persons entitled to receive it at noon on the day when the advertisement appears or, where notice is given by more than one advertisement and the advertisements appear on different days, at noon on the last of the days when the advertisements appear.

When notices  
etc. deemed  
sent by other  
means  
authorised by  
member

193. A notice, document or information served or delivered by the Company by any other means authorised in writing by the member concerned is deemed to be served when the Company has taken the action it has been authorised to take for that purpose.

Methods of  
member etc.  
sending document  
information or

194. Subject to Article 179 and unless otherwise provided by these Articles, a member or a person entitled by transmission to a share shall send a document or information pursuant to these Articles to the Company in such form and by such means as it may in its absolute discretion determine provided that:

- (a) the determined form and means are permitted by the Companies Acts for the purpose of sending or supplying a document or information of that type to a company pursuant to a provision of the Companies Acts; and
- (b) unless the board otherwise permits, any applicable condition or limitation specified in the Companies Acts, including without limitation as to the address to which the document or information may be sent, is satisfied.

Unless otherwise provided by these Articles or required by the board, such document or information shall be authenticated in the manner specified by the Companies Acts for authentication of a document or information sent in the relevant form.

#### DESTRUCTION OF DOCUMENTS

Power of  
Company to  
destroy  
documents

195. The Company shall be entitled to destroy:

- (a) all instruments of transfer of shares (including a document constituting the renunciation of an allotment of shares) which have been registered at any time after the expiration of six years from the date of registration;
- (b) all mandates for the payment of dividends or other amounts, variations or cancellations of mandates, and notifications of change of name or address at any time after the expiration of two years from the date of recording;
- (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation;
- (d) all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment;
- (e) all proxy appointments which have been used for the purpose of a poll at any time after the expiration of one year from the date of use;
- (f) all proxy appointments which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the proxy appointment relates and at which no poll was demanded; and
- (g) any other document on the basis of which any entry in the register is made at any time after ten years from the date an entry in the register was first made in respect of it.

**Presumption in relation to destroyed documents**

196. It shall conclusively be presumed in favour of the Company that:

- (a) every entry in the register purporting to have been made on the basis of an instrument of transfer or other document destroyed in accordance with Article 195 was duly and properly made;
- (b) every instrument of transfer destroyed in accordance with Article 195 was a valid and effective instrument duly and properly registered;
- (c) every share certificate destroyed in accordance with Article 195 was a valid and effective certificate duly and properly cancelled; and
- (d) every other document destroyed in accordance with Article 195 was a valid and effective document in accordance with its recorded particulars in the books or records of the Company,

but:

- (e) the provisions of this Article and Article 195 apply only to the destruction of a document in good faith and without express notice of any claim (regardless of the parties) to which the document might be relevant;
- (f) nothing in this Article or Article 195 shall be construed as imposing on the Company any liability in respect of the destruction of any document earlier than the time specified in Article 195 or in any other circumstances which

would not attach to the Company in the absence of this Article or Article 195; and

- (g) any reference in this Article or Article 195 to the destruction of any document includes a reference to its disposal in any manner.

#### **WINDING UP**

**Liquidator may distribute specie in** 197. If the Company is voluntarily wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Insolvency Act 1986:

- (a) divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and may, for that purpose, value any assets and determine on the basis of that valuation and in accordance with the then existing rights of members how the division shall be carried out as between the members or different classes of members;
- (b) vest the whole or any part of the assets in trustees for the benefit of the members; and
- (c) determine the scope and terms of those trusts,

but no member shall be compelled to accept any asset on which there is a liability or potential liability.

**Disposal of assets by liquidator** 198. The power of sale of a liquidator shall include a power to sell wholly or partially for shares or debentures or other obligations of another body corporate, either then already constituted or about to be constituted for the purpose of carrying out the sale.

#### **INDEMNITY AND DEFENCE FUNDING**

**Indemnity to directors and officers** 199. Subject to the provisions of the Act and to applicable regulation, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Relevant Officer shall be indemnified out of the assets of the Company against:

- (a) any liability incurred by or attaching to the Relevant Officer in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the affairs of the Company or an Associated Body other than:
  - (i) any liability to the Company or to any Associated Company; and
  - (ii) any liability of the kind referred to in section 234(3) of the Act; and
- (b) any other liability incurred by or attaching to the Relevant Officer in relation to or in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or

otherwise in relation to his duties, powers or offices in relation to the Company or an Associated Body.

Where a Relevant Officer is indemnified against any liability in accordance with this Article 199, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by the Relevant Officer in relation thereto.

200. Subject to the provisions of the Act and to applicable regulation, the Company may:

- (a) provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by the Relevant Officer:
  - (i) in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or an Associated Body;
  - (ii) in connection with any application for relief under the provisions mentioned in section 205(5) of the Act; and
- (b) do anything to enable any such Relevant Officer to avoid incurring such expenditure.

The terms set out in section 205(2) of the Act shall apply to any provision of funds or other things done under this Article 200.

201. Subject to the provisions of the Act and to applicable regulation, the Company may:

- (a) provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by the Relevant Officer in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or any Associated Body; and
- (b) do anything to enable any such Relevant Officer to avoid incurring such expenditure.

202. In Articles 199, 200 and 201 above:

- (a) “Associated Body” means any body which is or was a subsidiary undertaking of the Company (or a subsidiary undertaking of any subsidiary undertaking), or in which the Company or such subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or any such subsidiary undertaking is or was in any way allied or associated.
- (b) “Associated Company” shall have the same meaning as in section 256 of the Act; and

- (c) “Relevant Officer” means a person who is or was a director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as an auditor).