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THE COMPANIES ACTS 1929 - 1989
PUBLIC COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION

of

BWA GROUP PLC

WEDNESDAY



A01 *A3XDIR51* 11/07/2007 647
COMPANIES HOUSE

(As adopted by Special Resolution Passed on 22 October 1998 and as amended by
Special Resolutions Passed on 25 May 2001 and 29 May 2007)

PRELIMINARY

1 No regulations set out in any statute, or in any statutory instrument, or other subordinate legislation made under any statute, relating to companies shall apply as the regulations or Articles of the Company

2 In these Articles, if not inconsistent with the subject or context,

2 1 the following words shall bear the meanings stated -

the Act	the Companies Act 1985,
these Articles	these Articles of Association as from time to time altered
Board	means the Board of directors for the time being of the Company,
clear days	means, in relation to the period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,
committee	means a committee of the Board,
director	means a director for the time being of the Company,
Depository	means a custodian or other person approved by the Board appointed under contractual arrangements with the Company (or a nominee for such custodian or other person) whereby such custodian or other person holds or is interested in shares and which issues securities evidencing the right to receive such shares,
Depository Receipt	means receipts or similar documents of title issued by

	or on behalf of a Depositary,
Depositary Shares	means the Shares held by a Depositary or in which such Depositary is interested in its capacity as a Depositary,
Group	the Company and any subsidiary for the time being of the Company,
in writing	written, printed or lithographed, or visibly expressed by any substitute for writing or partly by one of those means and partly by another or others,
holder	in relation to any share means the member whose name is entered in the register as the holder of that share,
London Stock Exchange	means London Stock Exchange Limited,
market nominee	means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange within the meaning of section 185(4) of the Act,
office	the registered office for the time being of the Company,
Operator	has the same meaning as in the Regulations,
paid up	paid up and/or credited as paid up,
person entitled by transmission	means a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the register,
register	means the register of members of the Company,
Regulations	means the Uncertificated Securities Regulations 1995,
Statutes	means the Act and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act,
seal	the common seal of the Company or any official seal that the Company may be permitted to have under the Statutes,
Subsidiary	a subsidiary as defined in section 736 of the Act,
United Kingdom	Great Britain and Northern Ireland,

- 2 2 Words importing the singular shall include the plural, and vice versa,
- 2 3 Words importing any gender shall include all genders, and 'persons' shall include corporations,
- 2 4 The expression 'secretary' shall (subject to the provisions of the Statutes) include an assistant or deputy secretary, and any person appointed by the directors to perform any of the duties of the secretary,
- 2 5 Any reference to any Act shall extend to and include any amendment, consolidation or re-enactment of it for the time being in force,
- 2 6 Any reference to an uncertificated share, or to a share held in uncertificated form, shall mean a share which is for the time being recorded on the register as being held in uncertificated form, and any reference to a certificated share shall mean any share other than an uncertificated share,
- 2 7 Any reference to writing includes a reference to any method of reproducing words on paper and any reference to a notice, consent or approval being given in a similar way to writing shall mean one given or sent by telex, telegram, facsimile or other electronic process (whether in use when these Articles are adopted or developed subsequently) capable of reproducing words in a visible and non-transitory form,
- 2 8 Any reference to a signature shall be deemed to include a signature printed or reproduced by mechanical, electronic or other means or any stamp or other distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person,
- 2 9 Any reference to a meeting shall not be taken as requiring more than one person to be present in person if any quorum requirement can be satisfied by one person, and
- 2 10 Where the Company has a power of sale or other right of disposal in relation to any share, any reference to the power of the Company or the Board to authorise a person to transfer that share to or as directed by the person to whom the share has been sold or disposed of shall, in the case of an uncertificated share, be deemed to include a reference to such other action as may be necessary to enable that share to be registered in the name of that person or as directed by him

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

Share Capital

- 3 The authorised share capital of the Company is £13,086,000 divided into 1,942,275,119 Ordinary Shares of 0 5p each, 19,241,627 Deferred Shares of 1 5p each and 154,300,000 Convertible Preference Shares of 2p each,
- 3 1 The special rights, privileges, restrictions and limitations attaching to the Deferred Shares are as follows

- 3 1 1 the Deferred Shares shall not be entitled to any dividends or to any other right or participation in the profits of the Company,
 - 3 1 2 on any return of assets on liquidation, the Deferred Shares shall confer on the holders thereof an entitlement to receive out of the assets of the Company available for distribution amongst the members (subject to the rights of any new class of shares with preferred rights) the amounts paid up or credited as paid up on the Deferred Shares held by them respectively after (but only after) payment shall have been made to the holders of the Ordinary Shares and the Convertible Preference Shares of the amounts paid up or credited as paid up on such shares and the sum of £10,000 000 in respect of each Ordinary Share and Convertible Preference Shares held by them respectively The holders of the Deferred Shares shall have no further right to participate in the assets of the Company,
 - 3 1 3 the holders of the Deferred Shares shall not be entitled to vote upon any resolution of the Company in general meetings and shall not be entitled to receive notice of, attend any general meeting, or be part of the quorum thereof as the holders of the Deferred Shares,
 - 3 1 4 any reduction of capital involving the cancellation of the Deferred Shares for no consideration shall not be deemed to be a variation of the rights attaching to them nor a modification or abrogation of the rights or privileges attaching to the Deferred Shares,
 - 3 1 5 the special rights conferred upon the holders of the Deferred Shares shall be deemed not to be modified, varied or abrogated by the creation or issue of further shares ranking pari passu with or in priority to the Deferred Shares,
 - 3 1 6 the holders of the Deferred Shares shall not be entitled to be issued with a share certificate,
 - 3 1 7 no transfer of any Deferred Shares shall be permitted save as provided in articles 3 1 8 below, and
 - 3 1 8 the Company shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same (without making any payment to the holders thereof) to such person as the Company may determine as custodian thereof and/or to cancel the same without making any payment to the holders thereof and/or acquire the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holders hereof
- 3 2 The special rights, privileges, restrictions and limitations attaching to the Convertible Preference Shares are as follows
- 3 2 1 The Convertible Preference Shares shall rank pari passu with the Ordinary Shares in regard to

- (a) payment of dividends or to any other right or participation in the profits of the Company, and
- (b) on a winding-up or on a reduction of capital including but without prejudice to the foregoing the purchase by the Company of its own shares

3 2 2 The holders of the Convertible Preference Shares shall

- (a) be entitled to receive notice of or to attend general meetings of the Company and to receive all other communications, reports and accounts of the Company as shall be receivable by the holders of the Ordinary Shares, and
- (b) not be entitled to speak nor to vote on any resolution proposed at any general meeting of the Company save for as in respect of any resolution that varies the terms of the rights of the Convertible Preference Shareholders set out herein

3 2 3 The Convertible Preference Shares shall be transferable by the holders thereof but shall not be admitted to trading on any market, exchange or any dealing facility

3 2 4 The holders of the Convertible Preference Shares have the right by notice in writing, accompanied by the certificate for the holding of the Convertible Preference Shares, to the Company at any time prior to the redemption date specified in 3 2 7 below, to convert all or any of the Convertible Preference Shares from time to time outstanding into Ordinary Shares at the rate of 1 Ordinary Share for every 1 Convertible Preference Share held. The Company shall on receipt of the notice to convert

- (a) procure the issue, to the holder of a share certificate, or at the request of the holder credit the holder's CREST account with the Ordinary Shares to be issued on such conversion; and
- (b) in the event that the Company's Ordinary Shares are admitted to dealing on the official list of the London Stock Exchange plc, or on AIM or Plus Markets ("Market"), then the Company shall procure that the Ordinary Shares to be issued on the conversion are so admitted to trading on the relevant Market

3 2 5 Provided that notwithstanding anything hereinbefore contained, no holder of the Convertible Preference Shares shall be entitled to serve notice of the conversion if as a consequence his or their (whether alone or together with other persons deemed to be acting in concert, as the expression is defined in the Takeover Code) holding of voting rights in the Company following such conversion would exceed 29.9 per cent of the voting rights of the Company

- 3 2 6 And provided further that no director of the Company who is a holder of Convertible Preference Shares shall be entitled to serve a notice of conversion on the Company during a Close Period of the Company (as defined in the AIM Rules)
- 3 2 7 In the event that any Convertible Preference Shares shall not have been converted by the date being its tenth anniversary of the creation of the Convertible Preference Shares (the "Redemption Date"), then subject to all relevant provisions of the law applicable to companies seeking to redeem or purchase their own shares, the Company shall redeem the Convertible Preference Shares in issue on the Redemption Date
- 4 1 Subject to the provisions of the Statutes and without prejudice to any rights for the time being conferred on the holders of any shares or class of shares, any share may be issued with such preferred, deferred or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Board may determine
- 4 2 Subject to the provisions of the Statutes, any shares may be issued on the terms that, at the option of the Company or the holder, they are or are liable to be redeemed on such terms and in such manner as the Board may determine
- 5 Subject to, and in accordance with, the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) but if there are in issue listed shares convertible into or carrying a right to subscribe for shares of the class proposed to be purchased, a purchase may not be made without prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the convertible shares, to which meeting the provisions of article 9 2 shall apply
- 6 Subject to the provisions of the Statutes, of these Articles and of any resolution of the Company, any unissued shares shall be under the control of the directors who may allot, grant options over or otherwise deal with or dispose of them to such persons at such times and on such terms and conditions as they think fit, but no shares shall be issued at a discount except in accordance with the provisions of the Statutes
- 7 The Company may exercise the powers conferred by the Statutes of paying commissions to persons subscribing or procuring subscriptions for shares or, agreeing to do so, whether absolutely or conditionally, and subject to the provisions of the Statutes any commissions may be satisfied by the payment of cash or by the allotment of fully or partly paid shares, or partly in the one way and partly in the other The Company may also, on any issue of shares, pay such brokerage as may be lawful
- 8 Except as required by the law or these Articles, no person shall be recognised by the Company as holding any share upon any trust and (except only as these Articles otherwise provide or as required by law) the Company shall not be bound by or recognise (even when having notice of it) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety of it in the registered holder

Variation of Rights

- 9 1 Subject to the provisions of the Statutes, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class (other than the Deferred Shares) may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, only either (a) in such manner (if any) as may be provided by those rights, or (b) in the absence of any relevant provisions, with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of the class
- 9 2 To every separate meeting the provisions of these Articles relating to general meetings of the Company and the provisions of sections 369, 370, 376 and 377 of the Act shall, with any necessary modifications, apply, except that the holders present in person or by proxy of one-third of the issued shares of the class shall be a quorum and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them and that any holder of shares of the class present in person or by proxy may demand a poll. If the meeting stands adjourned, in accordance with the provisions of these Articles, at the adjourned meeting two holders of shares of the class present in person or by proxy shall be a quorum
- 9 3 Unless otherwise expressly provided by these Articles or by the rights conferred upon the holders of any class of shares those rights shall be deemed to be varied by a reduction of the capital paid up on the shares and by the creation of further shares ranking in any respects in priority to them but shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* with or subsequent to them

Share Warrants

- 10 The Board may issue warrants ('share warrants') with respect to fully paid up shares stating that the bearer is entitled to the shares specified and may provide by coupons or otherwise for the payment of future dividends on the shares included in the warrants. The Board may determine and vary the conditions upon which share warrants shall be issued and on which a new share warrant or coupon shall be issued in the place of one worn out, defaced or destroyed. No new share warrant or coupon shall be issued to replace one that has been lost unless it is proved to the satisfaction of the directors to have been destroyed. The Board may determine and vary the conditions on which the bearer of a share warrant shall be entitled to receive notices of and attend and vote at general meetings or to join in requisitioning general meetings and on which a share warrant may be surrendered and the name of the holder entered in the register in respect of the relevant shares. Subject to the conditions and to these Articles, the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold the warrant subject to the conditions for the time being in force with regard to the share warrants, whether made before or after the issue of the share warrant

Certificates

- 11 1 A person whose name is entered in the register as the holder of any certificated shares shall be entitled (unless the conditions of issue otherwise provide) to receive one

certificate for those shares, or one certificate for each class of those shares and, if he transfers part of the shares represented by a certificate in his name, or elects to hold part in uncertificated form, to receive a new certificate for the balance of those shares, but no certificate shall be issued to any member who is a market nominee unless it specifically requests the Company to issue one

- 11 2 In the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names, and delivery of a certificate for a share to any one of the joint holders shall be sufficient delivery to all
- 11 3 Every share certificate shall be issued under seal (by affixing the seal to, or printing the seal or a representation of it on the certificate) and shall specify the member and class of the shares to which it relates and the amount or respective amounts paid up on the shares
- 11 4 Except as expressly provided to the contrary in these Articles, no fee shall be charged for the issue of a share certificate
- 11 5 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate issued
- 11 6 If any member surrenders for cancellation a certificate representing shares held by him and requests the Company to issue two or more certificates representing those shares in such proportions as he may specify, the Board may, if it thinks fit, comply with the request on payment of such fee (if any) as the Board may decide
- 11 7 If a certificate is damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued on compliance with such conditions as to evidence, indemnity and security for such indemnity as the Board may think fit and on payment of any exceptional expenses of the Company incidental to its investigation of the evidence and preparation of the indemnity and security and, if damaged or defaced, on delivery up of the old certificate
- 11 8 In the case of joint holders of a share a request for a new certificate under any of the preceding paragraphs of this Article may be made by any one of the joint holders unless the certificate is alleged to have been lost, stolen or destroyed

Lien

- 12 1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of the share. The Company's lien (if any) on a share shall extend to all amounts payable on or in respect of it. The Board may resolve that any share shall for some specified period be exempt from the provisions of this Article
- 12 2 Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien (if any) on that share
- 13 1 The Company may sell, in such manner as the Board may decide, any share on which the Company has a lien, but no sale shall be made unless some moneys in respect of

which the lien exists are presently payable and fourteen days have expired after a notice in writing, stating the amount and demanding payment of the moneys presently payable and giving notice of intention to sell in default, has been served on the holder of the shares or the person entitled to the shares by transmission

- 13 2 For giving effect to a sale the Board may authorise some person to transfer the shares sold to or to the order of the purchaser
- 13 3 The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money His title to the shares shall not be affected by any irregularity or invalidity in the proceedings relating to the sale
- 13 4 The net proceeds of sale shall be applied in or towards payment of so much of the amount in respect of which the lien exists as is presently payable Any residue shall (subject to a like lien in respect of sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares immediately prior to the sale but subject to the surrender to the Company for cancellation of the share certificate for the shares sold

Calls on Shares

- 14 1 Subject to the provisions of these Articles and to any conditions of allotment, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) Each member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place specified, the amount called on his shares A call may be made payable by instalments A call may be postponed and may be wholly or in part revoked as the Board may determine
- 14 2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed
- 14 3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it
- 14 4 A person on whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call is made
- 15 If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at a rate not exceeding 20 per cent, per annum which the Board, in its absolute discretion, determines (but the Board shall be at liberty to waive payment of interest wholly or in part) and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of the call
- 16 Any sum which by or pursuant to the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call

duly made and payable on the date on which, by or pursuant to the terms of issue it becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified

- 17 Subject to the terms of allotment, the Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment
- 18 The Board may receive from a member an advance of all or any part of the money unpaid upon the shares held by him beyond the sums actually called up. The payment in advance of calls shall extinguish, to the extent of the payment, the liability upon the shares in respect of which it is advanced. The Company may pay interest upon the money received, or so much of it as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, at such rate as the member and the Board agree

Forfeiture of Shares

- 19 1 If a member fails to pay any call or instalment of a call before or on the day appointed for payment the Board may, whilst any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with accrued interest and expenses
- 19 2 The notice shall name a day (not earlier than fourteen clear days from the date of service) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day and at the place appointed the shares on which the call was made will be liable to be forfeited
- 19 3 The Board may accept the surrender of any share liable to be forfeited. Any reference in these Articles to forfeiture shall include surrender
- 20 1 If the requirements of a notice given under the preceding Article are not complied with, any share in respect of which the notice has been given may, at any time before payment of all calls, and interest and expenses, be forfeited by a resolution of the Board to that effect. The forfeiture shall include all dividends which shall have been declared on the forfeited shares and not paid before the forfeiture
- 20 2 If a share is forfeited, notice of the forfeiture shall be given to the person who was the holder of the share or (as the case may be) the person entitled to the share by transmission and an entry that notice of the forfeiture has been given up, with the relevant date, shall be made in the register, but no forfeiture shall be invalidated by any omission to give such notice or to make such entry
- 21 1 Subject to the provisions of the Statutes, a forfeited share may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder or to any other person, upon such terms and in such manner as the directors think fit. At any time before a sale, re-allotment or disposal the forfeiture may be cancelled on such terms as the Board thinks fit. The Board may authorise some person to transfer a forfeited share

- 21 2 A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the shares, together with accrued interest. The Board may enforce payment without any allowance for the value of the shares at the time of forfeiture, or for any consideration received on its disposal.
- 21 3 A statutory declaration that the declarant is a director or the secretary of the Company, and that a share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of those facts as against all persons claiming to be entitled to the share. The declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal together with the certificate for the share delivered to a purchaser or allottee, shall (subject to the execution of a transfer, if required) constitute a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any). His title to the share shall not be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

Untraced Members

- 22 1 The Company may sell any share of a member, or any share to which a person is entitled by transmission, by giving to a person authorised to conduct business on the London Stock Exchange an instruction to sell it at best if
- 22 1 1 during a period of twelve years at least three cash dividends have become payable in respect of the share to be sold and have been sent by the Company in accordance with Article 105,
- 22 1 2 during that period of twelve years no cash dividend payable in respect of the share has been claimed, no cheque, warrant, order or other payment for a dividend has been cashed, no dividend sent by means of a funds transfer system has been paid and no communication has been received by the Company from the member or the person entitled by transmission to the share,
- 22 1 3 on or after the expiry of that period of twelve years the Company has published advertisements both in a national newspaper and in a newspaper circulating in the area in which the last known address of the member or person entitled by transmission to the share or the address at which notices may be given in accordance with these Articles is located, in each case giving notice of its intention to sell the share,
- 22 1 4 during the period of three months following the publication of those advertisements and after that period until the exercise of the power to sell the share, the Company has not received any communications from the member or the person entitled by transmission to the share, and
- 22 1 5 the Company has given notice to the London Stock Exchange of its intention to sell the share.

- 22 2 The Company's power of sale shall extend to any further share which, on or before the date of publication of the first of any advertisement pursuant to subparagraph 22 1 3 above, is issued in right of a share to which paragraph 22 1 applies (or in right of any share to which this paragraph applies) if the conditions set out in subparagraphs 22 1 2 to 22 1 5 are satisfied in relation to the further share (but as if the references to a period of twelve years were references to a period beginning on the date of allotment of the further share and ending on the date of publication of the first of the advertisements referred to above)
- 22 3 To give effect to any sale, the Board may authorise some person to transfer the share to, or as directed by, the purchaser, who shall not be bound to see to the application of the purchase money, nor shall the title of the new holder to the share be affected by any irregularity in, or invalidity of, the proceedings relating to the sale
- 23 1 The Company shall account to the person entitled to the share at the date of sale for a sum equal to the net proceeds of sale and shall be deemed to be his debtor, and not a trustee for him, in respect of them
- 23 2 Pending payment of the net proceeds of sale to such person, the proceeds may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time decide
- 23 3 No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any moneys earned on the net proceeds.

Transfers of Shares

- 24 Subject to the restrictions in these Articles, a member may transfer all or any of his shares in any manner which is permitted by the Statutes and is from time to time approved by the Board
- 25 1 All transfers of shares which are held in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Board and may be under hand only The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register in respect thereof
- 25 2 All transfers of shares which are held in uncertificated form may be effected by means of a relevant system (as defined in the Regulations)
- 25 3 The Company shall register the transfer of any shares held in uncertificated form in accordance with the Statutes The Board may, in its absolute discretion and without giving any reason for its decision, refuse to register any transfer of an uncertificated share where permitted by the Statutes
- 26 The Board shall not register any person as a holder of any share in the Company (other than an allottee under an issue of shares by way of capitalisation of profits or reserves made pursuant to these Articles or a market nominee or a Depositary) unless

- 26 1 in the case of shares held in certificated form, such person has furnished to the Board a declaration (in such form as the Board may from time to time prescribe) signed by him or on his behalf (or, in the case of a corporation, sealed by the corporation or signed on its behalf by an attorney or duly authorised officer of the corporation), together with such evidence as the Board may require of the authority of any signatory on behalf of such person, stating (i) the name and nationality of any person who has an Interest (as defined in Article 35) in any such share and (if such declaration or the Board so requires) the nature and extent of the Interest of each such person or (ii) such other information as the Board may from time to time determine, or
- 26 2 in the case of shares held in uncertificated form, the Board receives information relating to nationality through a relevant system

The Board shall in any case where it may consider it appropriate require such person or the Operator to provide such evidence or give such information as to the matters referred to in the declaration as it thinks fit. The Board shall decline to register any person as a holder of a share held in certificated form if such further evidence or information is not provided or given. The Board shall, so long as it acts reasonably and in good faith, be under no liability to the Company or to any other person if it registers any person as the holder of a share on the basis of a declaration or other evidence or information provided pursuant to this Article 26 which declaration, evidence or information appears on its face to be correct. Nothing in this Article 26 shall in any way restrict the exercise by the Board of its powers pursuant to Article 8

- 27 1 The Board may, in the case of shares held in certificated form, in its absolute discretion and without assigning any reason therefore, refuse to register a transfer of shares (not being fully paid shares) provided that, where any such shares are admitted to the Official List of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may refuse to register any transfer of a share on which the Company has a lien. The Board may also refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the Board refuses to register a transfer it shall within two months after the date on which

27 1 1 the instrument of transfer was lodged with the Company (in the case of shares held in certificated form), or

27 1 2 The Operator-instruction requiring the Company to register a transfer of title to shares held in uncertificated form was received by the Company (in the case of shares held in uncertificated form)

send to the transferee notice of the refusal, except where such refusal is made pursuant to Article 35 (8) when such notice shall be sent within fourteen days after the date on which the transfer was lodged with the Company (in the case of shares held in certificated form) or within fourteen days after the date on which the Operator-instruction was received by the Company (in the case of shares held in uncertificated form)

- 27 2 The Board may decline to recognise any instrument of transfer relating to shares held in certificated form unless the instrument of transfer is in respect of only one class of share and is lodged at the registered office of the Company accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do) In the case of a transfer of shares held in certificated form by a market nominee the lodgement of share certificates will only be necessary if and to the extent that share certificates have been issued in respect of the shares in question
- 28 1 No fee will be charged by the Company in respect of the registration of any transfer or probate or letters of administration or certificate of marriage or death, stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register affecting the title to any shares
- 28 2 The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares except that, in respect of any shares which are held in uncertificated form, the register shall not be closed without the consent of the Operator The register shall not be closed for more than thirty days in any year
- 28 3 All instruments of transfer which are registered shall, subject to Article 121, be retained by the Company, but any instrument of transfer which the Board refuses to register shall (except in case of fraud) be returned to the person depositing it
- 29 Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person

Transmission of Shares

- 30 In the case of the death of a member the 'survivor' (where the deceased was a joint holder) and the executors or administrators of the deceased (where he was a sole or only surviving holder) shall be the only persons recognised by the Company as having any title to his interest in the shares Nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him
- 31 1 Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any event giving rise to a transmission by operation of law may, upon such evidence as to his title being produced as may be required by the Board, and subject as provided below, elect either to be registered as the holder of the share or to have some person nominated by him registered as the holder
- 31 2 If the person becoming entitled elects to be registered, he shall deliver or send to the Company a notice in writing signed by him to that effect If he elects to have another person registered, he shall testify his election by signing a transfer of the share in favour of that person All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by the member

- 32 1 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or of any event giving rise to a transmission by operation of law shall be entitled to receive, and may give a discharge for, all benefits arising or accruing on or in respect of the share, but he shall not be entitled, in respect of the share, to receive notices of or to attend or vote at meetings of the Company, or, save as stated above to any of the rights or privileges of a member until he shall have been registered as a holder of the share
- 32 2 The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if after ninety days the notice has not been complied with, the Board may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with

Uncertificated Shares - General Powers

- 33 1 In relation to any share which is for the time being held in uncertificated form
- 33 1 1 the Company may utilise the relevant system in which it is held to the fullest extent available from time to time in the exercise of any of its powers or functions under the Statutes or these Articles or otherwise in effecting any actions and the Board may from time to time determine the manner in which such powers, functions and actions shall be so exercised or effected,
- 33 1 2 any provision in these Articles which is inconsistent with
- (a) the holding or transfer of that share in the manner prescribed or permitted by the Statutes,
 - (b) any other provision of the Statutes relating to shares held in uncertificated form, or
 - (c) the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a relevant system
- shall not apply but this provision shall not affect the operation of Articles 26 and 35,
- 33 1 3 the Company may, by notice in writing to the holder of that share, require the holder to change the form of such share to certificated form within such period as may be specified in the notice, and
- 33 1 4 the Company shall not issue a certificate
- 33 2 For the purpose of effecting any actions by the Company, the Board may determine that shares held by a person in uncertificated form shall be treated as a separate holding from shares held by that person in certificated form

Disclosure of Interests in Shares

34 1 The Board may by notice in writing (in this Article called 'a Disclosure Notice') require any member or other person appearing to be interested or appearing to have been interested in the shares of the Company to disclose to the Company in writing such information as the Board shall require relating to the ownership of or interests in the shares in question as lies within the knowledge of such member or other person (supported if the Board so requires by a statutory declaration and/or by independent evidence) including (without prejudice to the generality of the foregoing)

34 1 1 any information which the Company is entitled to seek pursuant to Section 212 of the Act, and

34 1 2 any information which the Board shall deem necessary or desirable in order to determine whether any shares are Relevant Shares (as defined in Article 35) or are capable of being Affected Shares (as so defined) or whether it is necessary to take steps in order to protect an Operating Right (as so defined) of the Company or any subsidiary of the Company or otherwise in relation to the application or potential application of Article 35

34 2 The Board may give a Disclosure Notice pursuant to paragraph 34 1 of this Article at any time and the Board may give one or more than one such notice to the same member or other person in respect of the same shares

The Board shall send to each other person appearing to be interested in the shares the subject of any Disclosure Notice a copy of the notice, but the failure or omission by the Board to do so shall not invalidate such notice

34 3 Where the member on which a Disclosure Notice is served is a Depositary acting in its capacity as such, the obligations of the Depositary, as a member pursuant to Article 34 1, shall be limited to disclosing to the Company in accordance with Article 34 1 such information relating to the ownership of or interests in the shares in question as has been recorded by it pursuant to the terms entered into between the Depositary and the Company provided that nothing in this Article 34 shall in any other way restrict the powers of the Board under this Article 34

34 4 The provision of Article 35 11 shall apply, mutatis mutandis, to the service of notices pursuant to this Article

34 5 If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a Disclosure Notice under this Article and is in default for a period of 14 days from the date of service of the Disclosure Notice in respect of any shares ('default shares') in supplying to the Company the information thereby required, then the restrictions referred to below shall apply

Those restrictions shall continue for the period specified by the Board, being not more than seven days after the earlier of

34 5 1 the Company being notified that the default shares have been sold pursuant to a market transfer or,

34 5 2 due compliance, to the satisfaction of the Board, with the Disclosure Notice

The Board may waive these restrictions, in whole or in part, at any time

34 6 The restrictions referred to above are as follows

34 6 1 if the default shares in which any one person is interested or appears to the Company to be interested represent less than 0 25 per cent of the issued shares of the class, the holders of the default shares shall not be entitled, in respect of those shares, to attend or to vote, whether personally or by proxy, at any general meeting of the Company, or

34 6 2 if the default shares in which any one person is interested or appears to the Company to be interested represent at least 0 25 per cent of the issued shares of the class, the holders of the default shares shall not be entitled, in respect of those shares

(a) to attend or to vote, either personally or by proxy, at any general meeting of the Company, or

(b) to receive any dividend or other distribution, or

(c) to transfer or agree to transfer any of those shares or any rights in them

The restrictions in subparagraphs 34 5 1 and 34 5 2 above shall not prejudice the right of either the member holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under a market transfer

34 7 If any dividend or other distribution is withheld under paragraph 34 6 2 above, the member shall be entitled to receive it as soon as practicable after the restriction ceases to apply

34 8 If, while any of the restrictions referred to above apply to a share, another share is allotted in right of it (or in right of any share to which this paragraph applies), the same restrictions shall apply to that other share as if it were a default share For this purpose, shares which the Company allots, or procures to be offered, pro rata (disregarding fractional entitlements and shares not offered to certain members by reason of legal or practical problems associated with issuing or offering shares outside the United Kingdom) to holders of shares of the same class as the default share shall be treated as shares allotted in right of existing shares from the date on which the allotment is unconditional or, in the case of shares so offered, the date of the acceptance of the offer

34 9 For the purpose of this Article

34 9 1 a 'market transfer' in relation to any share is a transfer pursuant to

- (a) a sale of the share on a recognised investment exchange (as defined in the Financial Services Act 1986) or on any stock exchange outside the United Kingdom on which shares of that class are listed or normally traded, or
- (b) a sale of the whole beneficial interest in the share to a person whom the Board is satisfied is unconnected with the existing holder or with any other person appearing to be interested in the share, or
- (c) a takeover offer (as defined for the purposes of Part XIII A of the Act) which relates to the share,

34 9 2 the percentage of the issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue at the time when the Disclosure Notice is given, and

34 9 3 a person shall be treated as appearing to be interested in any share if the Company has given to the member holding such share a Disclosure Notice and either (a) the member has named the person as being interested in the share or (b) after taking into account any response to any Disclosure Notice and any other relevant information the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share

34 10 The provisions of this Article are without prejudice to the provisions of section 216 of the Act and, in particular, the Company may apply to the court under section 216(1) whether or not these provisions apply or have been applied

34 11 If the law of a country, state or other place imposes or purports to impose an immediate, future or possible liability on the Company to make a payment or empowers a government or taxing authority or a government official to require the Company to make a payment in respect of shares held either jointly or solely by a member or in respect of dividends or other sums due or payable to the member from or by the Company or in respect of shares or for or on account or in respect of the member and whether in consequence of

34 11 1 his death, or

34 11 2 his failure to discharge a liability to taxation, or

34 11 3 the non-payment of taxation or duty on the death of the member or out of his estate, or

34 11 4 any other act, event or thing,

the Company shall be indemnified by the member or his estate in respect of all liability arising as a result of the law and may recover from him or his estate sums paid by the Company as a result of the law, with interest at such rate as the Board determines from the date of payment by the Company until the date of repayment

Limitations on Share Ownership

35 1 Purpose

The purpose of this Article is to ensure that so long as and to the extent that the holding or enjoyment by the Company or any subsidiary of the Company of any Operating Right is conditional on the Company being to any degree owned or controlled by member states of the European Union and/or nationals of member states of the European Union and/or member states of the European Economic Area and/or nationals of member states of the European Economic Area (**'Qualifying European Nationals'**), the Company is so owned and controlled

35 2 Definitions

In this Article

Affected Share means any share which shall be treated as such pursuant to subparagraph (ii) of Article 35 4(b),

Affected Share Disposal means a disposal or disposals of or of interests in an Affected Share such that the share ceases to be an Affected Share;

Affected Share Notice means a notice in writing served in accordance with the provisions of Article 35 5,

Exempted Share means any Share which is at the relevant time held by (or, in the case of (a), (b) (c) or (d) below held by a nominee or custodian trustee for)

- (a) a trustee (acting in its capacity as such) of any Employees' Share Scheme established by the Company or any other scheme or arrangement principally for the benefit of employees of the Company and/or its subsidiaries which has been approved by the Company in general meeting,
- (b) a trustee (acting in its capacity as such) of any superannuation fund or retirement benefits scheme which has been approved by the Board of Inland Revenue and established wholly or mainly for European Union employees of the Company or of any other business or undertaking carried on (wholly or mainly) in the European Union otherwise than by a Relevant Person
- (c) any charity which is registered under the provisions of the Charities Act 1960 (or any equivalent European Union legislation), and
- (d) any exempt charity within the meaning of that Act (or any equivalent European Union legislation),

European Union means the member states comprising the European Union from time to time,

European Union Citizens means citizens or nationals of the member states of the European Union,

Intervening Act means the refusal, withholding, suspension or revocation of any Operating Right applied for, granted to or enjoyed by the Company or any subsidiary of the Company, or the imposition of any conditions or limitations upon any such Operating Right which materially inhibit the exercise thereof, in either case by any state, authority or person in reliance upon any provision or by reason of any matter or circumstance relating to the nationality of persons owning or controlling (however described) the Company,

Operating Right means all or any part of any authority, permission, licence or privilege which enables an air service to be operated, howsoever granted;

Permitted Maximum means, if at any time the Board has specified a maximum under sub-paragraph (b)(c) of Article 35 4(c), that aggregate number of Shares which they have so specified as the maximum aggregate permitted number of Relevant Shares,

Relevant Person means

35 2 2 any individual who is not a Qualifying European National,

35 2 3 any body corporate other than a body corporate which is incorporated under the laws of any part of, and which has its principal place of business and central management and control in, a member state of the European Union or a member state of the European Economic Area,

35 2 4 a government or governmental department, agency or body, otherwise than of a member state of the European Union or any part thereof or a member state of the European Economic Area or any part thereof,

35 2 5 any municipal, local, statutory or other authority or any undertaking or body formed or established in any country other than a member state of the European Union or a member state of the European Economic Area, and

35 2 6 any person who (a) falls within any of the foregoing paragraphs of this definition, and (b) would be taken to be interested in any Shares pursuant to the provisions of section 203 of the Act if a body corporate were interested in those Shares,

Relevant Share means any Share, other than an Exempted Share or a Share particulars of which are removed by the Board from the Separate Register pursuant to sub-paragraph (d) of Article 35 3 in which a Relevant Person has an Interest or which is declared by the Board to be a Relevant Share pursuant to sub-paragraph (c) of Article 35 3,

Share means any share in the relevant share capital of the Company as that expression is defined in section 198(2) of the Act and a person shall be deemed to have an '**Interest**' in relation to shares, if

35 2 7 such person has an interest which would (subject as provided below) be taken into account, or which he would be taken as having, in determining for the purposes of Part VI of the Act whether a person has a notifiable interest, or

35 2 8 he has any such interest as is referred to in section 209(1)(a), (b), (e) or (j) of the Act but shall not be deemed to have an Interest in any shares in which his spouse or any infant child or stepchild (or, in Scotland, pupil or minor) of his is interested by virtue of that relationship or which he holds as a bare or custodian trustee under the laws of England or as a simple trustee under the laws of Scotland, and **'interested'** shall be construed accordingly

35 3 Separate Register

35 3 1 The Board shall maintain, in addition to, or if the Register is maintained in a non-documentary form, in a fashion such that it is distinct from, the register, a register, (the 'Separate Register'), in which shall be entered particulars of any Share which

(a) has been acknowledged by the holder (or by any one of joint holders) or the Operator, whether pursuant to a declaration made in accordance with Article 26 or sub-paragraph (b) below or otherwise to be a Relevant Share, or

(b) has been declared to be a Relevant Share pursuant to sub-paragraph (c) below,

and in either case which has not ceased to be a Relevant Share The particulars entered on the Separate Register in respect of any Share shall comprise, in addition to the identity of the holder or joint holders, such information as has been requested by and supplied to the Board (regarding, where appropriate, the name and nationality of any person having an interest in such Share and the nature and extent of the Interest of each such person) pursuant to a declaration made in accordance with Article 26 or sub-paragraph (b) below or otherwise or, if no such information has been supplied, such information as the Board considers appropriate The Board may from time to time (if it so determines) cause to be entered in the Separate Register particulars of any Share in respect of which the holder or any joint holder or the Operator has not made a declaration as to whether or not the Share is a Relevant Share and all or some specified number of the Depositary Shares in respect of which Depositary Receipts have been issued by a Depositary (and any number so specified may from time to time be varied by the Board)

35 3 2 Each registered holder of a Share which has not been acknowledged to be a Relevant Share who becomes aware that such Share is or has become a Relevant Share shall forthwith notify the Company accordingly

35 3 3 Whether or not a Disclosure Notice pursuant to Article 34 1 has been given, the Board may, and if at any time it appears to the Board that a

Share particulars of which have not been entered in the Separate Register may be a Relevant Share shall, give notice in writing to the registered holder thereof or to any other person who appears to them to be interested in that Share or the Operator requiring him to show to their satisfaction that such a share is not a Relevant Share. Any person on whom such notice has been served and any other person who is interested in such Share and the Operator may within 21 days thereafter (or such longer period as the Board may consider reasonable) make representations to the Board as to why such Share should not be treated as a Relevant Share but if, after considering such representations and such other information as seems to them relevant the Board is not so satisfied, the Board shall declare such Share to be a Relevant Share, and it shall thereupon be treated as such.

35 3 4 The Board shall remove from the Separate Register particulars of any Relevant Share if there has been furnished to them a declaration (in such form as the Board may from time to time prescribe) by the holder of such Relevant Share or the Operator, together with such other evidence as the Board may require, which satisfies the Board either that such Share is no longer a Relevant Share or that, by reason of the fact that an Interest in such Share is held by a person who is not a Relevant Person or the nature of the Interest of the Relevant Person, such Share should not be treated as a Relevant Share.

35 4 Determination of an Intervening Act

35 4 1 The provisions of sub-paragraph 35 4 2 below shall apply where the Board determines that it is necessary to take steps in order to protect any Operating Right of the Company or any subsidiary of the Company or the status of the Company or such subsidiary as a European Union airline or air carrier by reason of the fact that

- (a) an Intervening Act has taken place,
- (b) an Intervening Act is contemplated, threatened or intended
- (c) the aggregate number of Relevant Shares particulars of which are entered in the Separate Register is such that an Intervening Act may occur, or
- (d) the ownership or control of the Company is otherwise such that an Intervening Act may occur

35 4 2 Where a determination has been made under sub-paragraph 35 4 1 of this Article, the chairman (or any director duly acting in place of the chairman) or the Board, as the case may be, shall take such of the following steps, either immediately upon such determination being made or at any time or times thereafter, as seems to him or them necessary or desirable to overcome, prevent or avoid an Intervening Act

- (a) the chairman of the Board (or any director duly acting in place of the chairman) may remove any director before the expiration of his term of office
- (b) The Board may resolve to seek to identify those shares or Relevant Shares which give rise to the determination, or would in their sole opinion, if details thereof had been entered on the Separate Register at the relevant time, have given rise to a determination and to deal with such Shares as Affected Shares
- (c) The Board may specify a Permitted Maximum of Relevant Shares or vary any Permitted Maximum previously specified, provided that at no time shall the Permitted Maximum be less than 40 per cent of the aggregate number of Shares and, at any time when the aggregate number of Relevant Shares of which particulars are entered in the Separate Register exceeds the Permitted Maximum applying for the time being, the Board may deal with such of the Relevant Shares as they decide are in excess of the Permitted Maximum as Affected Shares

35 4 3 Notwithstanding the provisions of sub-paragraph 35 4 1 and 35 4 2 above, the Board may take the following action if there is a change in any applicable law or the Company or any subsidiary of the Company receives any direction, notice or requirement of any state, authority or person which, in either case, necessitates such action in order to overcome, prevent or avoid an Intervening Act

- (a) the Board may specify that the Permitted Maximum shall be set at such level below 40 per cent, as they consider necessary in order to overcome, prevent or avoid such Intervening Act,
- (b) the Board may resolve that any Relevant Shares or any Depositary Shares evidencing an interest in such Shares shall be treated as Affected Shares for the purposes of this Article 35

35 5 Affected Share Notices

The Board shall give an Affected Share Notice to the registered holder of any Share which they determine to deal with as an Affected Share and to any other person who appears to them to be interested in that Share and to the Operator (in the case of a Share held in uncertificated form) and shall state which of the provisions of Article 35 6 (all of which shall be set out in the Affected Share Notice) are to be applied forthwith in respect of such Affected Share The Board shall be entitled from time to time to serve further Affected Share Notices in respect of any Affected Share applying further provisions of Article 35 6 The registered holder of a Share in respect of which an Affected Share Notice has been served or any other person on whom an Affected Share Notice in respect of that Share has been served (including the Operator) may make representations to the Board as to why such Share should not be treated as an Affected Share and if, after considering such representations and such other information as seems to it relevant, the Board considers that the Share should

not be treated as an Affected Share it shall forthwith withdraw the Affected Share Notice served in respect of such Share and the provisions of Article 35 6 shall no longer apply to it For the avoidance of doubt, any Share which the directors determine to deal with as an Affected Share shall continue to be an Affected Share unless and until the Board withdraw the Affected Share Notice relating thereto.

35 6 Rights of holder of Affected Shares and required disposal

35 6 1 A registered holder of an Affected Share upon whom an Affected Share Notice has been served shall not (if such Affected Share Notice specifies that the provisions of this sub-paragraph 35 6 1 are to apply thereto) be entitled, in respect of such Share, to attend or to speak at any general meeting of the Company or any meeting of the holders of any class of Shares or to vote at any such meeting and the rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll which, but for the provisions of this sub-paragraph 35 6 1, would have attached to the Affected Share shall vest in the chairman of such meeting The manner in which the chairman exercises or refrains from exercising any such rights shall be entirely at his discretion The chairman of any such meeting as aforesaid shall be informed by the directors of any Share becoming or being deemed to be an Affected Share,

- (a) The persons on whom an Affected Share Notice has been served shall (if such Affected Share Notice specifies that the provisions of this sub-paragraph (b) are to apply thereto), within 21 days of receiving such Affected Share Notice (or such longer period as may in such Notice be prescribed by the Board), make an Affected Share Disposal so that no Relevant Person has an interest in that Share and, upon such Affected Share Disposal being made to the satisfaction of the Board, such Affected Share shall cease to be a Relevant Share The provisions of Article 35 8 shall apply to any transfer in connection with an Affected Share Disposal if as a consequence of the transfer such Share would continue, or be capable of continuing, to be an Affected Share
- (b) If after 21 days from the date of service on the registered holder of an Affected Share of an Affected Share Notice specifying that the provisions of this sub-paragraph (b) are to apply (or such longer period as the Board may have prescribed), the Board is not satisfied that an Affected Share Disposal has been made of or in relation to the Affected Share the subject thereof, the Board may arrange for the sale of the Affected Share on behalf of the registered holder so that it ceases to be or to be capable of being treated as an Affected Share at the best price reasonably obtainable at the relevant time The manner, timing and terms of any such Affected Share Disposal made or sought to be made by the Board (including but not limited to the price or prices at which the same is made) shall be such as the Board determines, based upon advice from bankers, brokers or other appropriate persons consulted by them for the purpose, to be reasonably practicable having regard to

all the circumstances (including but not limited to the number of Shares to be disposed of) and the Board shall not be liable to any person for any of the consequences of reliance on such advice

35 6 2 For so long as an Affected Share is held in uncertificated form, in circumstances where the Board is obliged, pursuant to sub-paragraph (b) of this Article 35 6 to arrange for the sale of the Affected Share, the Board may make such arrangements on behalf of the registered holder of the Affected Share as it may think fit to transfer title to that Affected Share through a relevant system (as defined in the Regulations)

35 7 Directors to determine Affected Shares

In deciding which Shares are to be dealt with as Affected Shares the Board shall be entitled to have regard to the Interests in Relevant Shares which in their sole opinion have directly or indirectly caused the determination under sub-paragraph (a) of Article 35 4 but subject thereto shall, so far as practicable, have regard to the chronological order in which particulars of Relevant Shares have been, or are to be, entered in the Separate Register (and accordingly treat as Affected Shares those Relevant Shares which have been acquired, or details of which have been entered in the Separate Register, most recently) save in circumstances where such criterion would in the sole opinion of the Board be inequitable, in which event the Board shall apply such other criterion or criteria as they may, in their absolute discretion, consider appropriate

35 8 Right to refuse registration

The transfer of any Share shall be subject to the approval of the Board if in the opinion of the Board such Share would upon transfer become or would be capable of being treated as or would continue or be capable of continuing to be capable of being treated as an Affected Share and the Board may refuse to register the transfer of any such Share, provided that in the case of a Share held in uncertificated form the Board may only exercise their discretion not to register a transfer if permitted to do so by regulation 23 of the Regulations

35 9 Disposals of Affected Shares

For the purpose of a sale under sub-paragraph (b)(ii) of Article 35 6 of a Share held in certificated form the Board may appoint any person to execute as transferor an instrument of transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred Share in the register notwithstanding the absence of any share certificate and such instrument of transfer shall be as effective as if it had been executed by the registered holder and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto The net proceeds of sale of an Affected Share shall be received by the Company (whose receipt shall be a good discharge for the purchase money) shall be converted into sterling (if necessary) and shall be held on trust for and paid (together with interest at such rate as the Board deems appropriate) to the former registered holder (or in the case of joint holders the first named former joint holder thereof in the register) upon surrender by him or on his behalf of any certificate in respect of the Affected Shares sold and formerly held by him When an Affected Share has been sold as aforesaid the

Board shall notify the former registered holder of the Share and inform him that the net proceeds of sale of the Share will be paid to him upon surrender by him or on his behalf of any certificate in respect of the Share

35 10 Shares assumed not to be Relevant Shares (unless held by a Depositary)

Subject to the provisions of this Article

35 10 1 the Board shall (unless any director has reason to believe otherwise) be entitled to assume without enquiry that all Shares are neither Relevant Shares (other than those Shares particulars of which are entered in the Separate Register) nor Shares which would be or be capable of being treated as Affected Shares if a determination under sub-paragraph 35 10 1 of Article 35 4 were to be made, and

35 10 2 the Board shall be entitled to assume that all or some specified number of the Shares (as they may determine) are Relevant Shares if they (or Interests in them) are held by a Depositary unless and for so long as, in respect of any such Shares it is established to their satisfaction that such Shares are not Relevant Shares

35 11 Notice

35 11 1 The Board shall not be obliged to serve any notice required under this Article upon any person if they do not know either his identity or address. The absence of service in such circumstances as aforesaid and any accidental error in or failure to give any notice to any person upon whom notice is required to be served under this Article shall not prevent the implementation of or invalidate any procedure under this Article

35 11 2 The provisions of Article 115 shall apply *mutatis mutandis* to the service of notices upon any member pursuant to this Article. Any notice required by this Article to be served upon a person who is not a member or to a person who is a member but to whom Article 115(3) applies shall be deemed validly served if it is sent through the post in a pre-paid cover addressed to that person at the address (or if more than one, at one of the addresses) if any, at which the Board believes him to be resident or carrying on business. Service shall in such a case be deemed to be effected on the day after the day when it was put in the post (or, when second class mail is employed on the second day after the day when it was put in the post) and in proving such service it shall be sufficient to prove an envelope containing the notice or document was properly addressed and put into the post as a prepaid letter.

35 12 Directors' determination conclusive

Any resolution or determination of, or any decision or the exercise of any discretion or power by the Board or any director or by the chairman of the Company (including any other directors duly acting in place of the chairman) under this Article shall be final and conclusive and neither he nor they shall be obliged to give any reasons therefor. Any disposal or transfer made, or other thing done, by or on behalf or on the

authority of the Board or any director pursuant to the foregoing provisions of this Article shall be conclusive and binding on all persons concerned and shall not be open to challenge on any ground whatsoever. For the avoidance of doubt any powers, rights or duties conferred by this Article on the Board can be exercised by a duly authorised committee of the Board

35 13 Advertisement of Permitted Maximum

At any time when the Board has resolved to specify a Permitted Maximum or deal with any Shares as Affected Shares (other than on the first occasion when they resolve to specify a Permitted Maximum following the adoption of these Articles), they shall publish in at least one national newspaper in the United Kingdom (and in a newspaper in any other country in which Shares or securities evidencing the right to receive Shares are, at the instigation of the Company, listed, quoted or dealt in on any stock exchange) notice of the determination under sub-paragraph (a) of Article 35 4 1 and of any Permitted Maximum which has been specified, together with a statement of the provisions of this Article which can apply to Affected Shares and the name of the person or persons who will answer enquiries relating to Affected Shares on behalf of the Company. At other times the Board shall from time to time so publish information as to the number of Shares particulars of which have been entered in the Separate Register

35 14 Enquiries relating to the Separate Register

The Board shall not be required to make the Separate Register available for inspection by any person but shall provide to persons who make enquiries which the Board determines in its sole discretion to be *bona fide* with information as to the aggregate number of Shares of which particulars are from time to time entered in the Separate Register

35 15 Enquiries relating to the Permitted Maximum

If, at any time when a determination under sub-paragraph (a) of Article 35 4 has been made and not withdrawn, any person enquires of the Board whether the aggregate number of Relevant Shares exceeds any Permitted Maximum applying for the time being, or whether any Shares in the Company which such person proposed to purchase or in which such persons proposed to acquire an interest would in the opinion of the Board upon such purchase or acquisition become or be capable of being treated as Affected Shares, whether by reason of the Permitted Maximum being exceeded or otherwise, the Board shall, on sufficient information being given to them to enable them to answer the enquiry, notify the enquirer whether in their opinion the Shares would become or be capable of becoming Affected Shares if he were to purchase them or acquire an Interest in them. Notwithstanding the foregoing, any such notification shall not be binding on the Board or the Company and shall not prevent such Shares being subsequently identified as Affected Shares

35 16 Withdrawal of determination under Article 35 4

35 16 1 The provisions of sub-paragraph 35 16 2 of Article 35 4 shall apply until such time as the Board resolves that grounds for the making of a

determination under sub-paragraph 35 16 1 of Article 35 4 have ceased to exist and the Board shall thereupon withdraw such determination

35 16 2 On withdrawal of the determination under sub-paragraph 35 16 1 of Article 35 4, the Board shall cease to act pursuant to such determination and shall remove any Permitted Maximum that they may have specified and shall inform every person on whom an Affected Share Notice has been served in respect of an Affected Share which has not yet been transferred or sold by the Company in accordance with Article 35 6 that the provisions of Article 35 6 no longer apply in respect of such Share which on such withdrawal shall cease to be an Affected Share However, the withdrawal of such a determination shall not affect the validity of any action taken by the chairman (or any director duly acting as such) or the Board, as the case may be, under this Article whilst that determination remained in effect and such actions shall not be open to challenge on any ground whatsoever The Board shall publicise the withdrawal of any determination the existence of which has been publicised under Article 35 13 in the same manner as they are required to publicise its existence under such Article

35 16 3 The chairman and the Board shall so long as they act reasonably and in good faith, be under no liability to the Company or to any other person for failing to treat any Share as an Affected Share or any person as a Relevant Person in accordance with the provisions of this Article and neither shall the chairman nor any director be liable to the Company or any other person if, having acted reasonably and in good faith they determine erroneously that any Share is an Affected Share, or any person is a Relevant Person or on the basis of such determination or any other determination or resolution, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this Article in relation to such Share

35 17 For the purpose of this Article

35 17 1 a person who has an Interest in Shares by virtue of having an Interest in Depositary Receipts shall be deemed to have an Interest in the number of Shares represented by such Depositary Receipts and not (in the absence of any other reason why he should be so treated) in the remainder of the Depositary Shares held by the relevant Depositary, and

35 17 2 a person who has an Interest in Shares the registered holder of which is a market nominee (other than an Interest arising solely as a result of a market nominee being the registered holder of such Shares) shall not (in the absence of any other reason why he should be so treated) be deemed to have an Interest in the remainder of the Shares held by such market nominee

Stock

- 36 1 Subject to the provisions of the Statutes the Company may by ordinary resolution convert any paid up shares into stock, and reconvert any stock into paid up shares of any denomination
- 36 2 Stock may be transferred in whole or in part in the same manner, and subject to the same regulations, as would have applied to the shares from which the stock arose if they had not been converted, or as near as circumstances admit, but the directors may fix the minimum amount of stock transferable, provided that the minimum shall not exceed the nominal amount of each of the shares from which the stock arose
- 36 3 The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages in all respects as if they held the shares from which the stock arose, but, no rights, privilege or advantage (except participation in dividends and profits of the Company and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right, privilege or advantage
- 36 4 The provisions of these Articles applicable to paid up shares apply to stock, and the words 'share' and 'member' shall include 'stock' and 'stockholder'

Increase of Capital

- 37 1 The Company may by ordinary resolution increase its capital by such sum, to be divided into shares of such amounts, as the resolution prescribes
- 37 2 All new shares shall be subject to the provisions of these Articles and, unless otherwise provided by these Articles, by the resolution creating the new shares or by the conditions of issue, the new shares shall be unclassified shares

Alteration of Capital

- 38 1 The Company may by ordinary resolution -
- 38 1 1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 38 1 2 sub-divide all or any of its shares into shares of smaller amount than is fixed by the memorandum of association or these Articles (but subject to the provisions of the Statutes) The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from the subdivision, one or more of the shares may have any preferred or other special rights over, or may have deferred rights or be subject to any restrictions as compared with, the others as the Company has power to attach to unissued or new shares, and
- 38 1 3 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares cancelled

and may by special resolution reduce its authorised and issued share capital and any capital redemption reserve and any share premium account in any manner authorised by the Statutes and diminish the amount of its share capital by the amount of the shares so cancelled

- 39 If as a result of any consolidation of shares any members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and in particular may (on behalf of those members) aggregate and sell the shares representing the fractions to any person (including, subject to the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members (except that any proceeds in respect of any holding less than a sum fixed by the Board may be retained for the benefit of the Company) For the purpose of any such sale the Board may authorise some person to transfer the shares to, or as directed by, the purchaser, who shall not be bound to see to the application of the purchase money, nor shall the title of the new holder to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale

General Meetings

- 40 1 Subject to the provisions of the Statutes, the annual general meeting shall be held at such time and place as the Board determines

- 40 2 All general meetings other than annual general meetings shall be called extraordinary general meetings

The Board may call an extraordinary general meeting whenever they think fit

- 40 3 An extraordinary general meeting shall also be convened by the Board on the requisition of members under the Statutes or, in default may be convened by such requisitions, as provided by the Statutes

- 40 4 The Board shall comply with the Statutes regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company,

Notice of General Meetings

- 41 1 Subject to the provisions of the Statutes, an annual general meeting and an extraordinary general meeting for the passing of a special resolution or a resolution of which special notice is required by the Statutes shall be called by at least twenty-one days' notice All other extraordinary general meetings shall be called by at least fourteen days' notice The notice shall be exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given

- 41 2 Every notice shall be in writing and shall specify the place, the day and the time of meeting, and (in the case of special business) the general nature of the business, and in the case of an annual general meeting shall specify the meeting as such

41 3 Notice of every general meeting shall be given to all members other than those who under the provisions of these Articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the auditors

42 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, or, in cases where instruments of proxy are sent out with the notice, the accidental omission to send an instrument of proxy to any person entitled to receive notice shall not invalidate the proceedings at that meeting

Proceedings at General Meetings

43 All business shall be deemed special that is transacted at an extraordinary general meeting All business that is transacted at an annual general meeting shall also be deemed special, with the exception of declaring dividends, the consideration of the accounts and balance sheet and the reports of the directors and auditors and other documents required to be annexed to the balance sheet, the appointment of directors in the place of those retiring by rotation or otherwise, the reappointment of the retiring auditors (other than retiring auditors who have been appointed by the directors to fill a casual vacancy) and the fixing of the remuneration of the auditors

44 1 No business shall be transacted at any general meeting unless a quorum is present Subject to the provisions of these Articles, two persons entitled to vote at the meeting, each being a member or a proxy for a member, shall be a quorum for all purposes

44 2 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by members, shall be dissolved In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, not being more than twenty-eight days later

44 3 If at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved

44 4 When a meeting is adjourned (for this reason) for fourteen days or more not less than seven clear days' notice, specifying the place, the day and the time of the adjourned meeting, shall be given but it shall not be necessary to specify in the notice the nature of the business to be transacted at the adjourned meeting In any other case it shall not be necessary to give any notice of an adjournment

45 The Board may make any security arrangements which it considers appropriate relating to the holding of a general meeting of the Company, including, without limitation, arranging for any member or other person attending a meeting to be searched and for items of personal property which may be taken into a meeting to be restricted A director or the secretary may refuse entry to a meeting to any member or other person who refuses to comply with any such arrangements

46 At every general meeting of the Company the chairman (if any) of the Board of directors, or the deputy chairman, shall preside as chairman If at any meeting neither the chairman nor the deputy chairman is present within fifteen minutes after the time

appointed for holding the meeting, or if neither of them is willing to act as chairman, the directors present shall choose some director present to be chairman. If no director is present, or if all the directors present decline to take the chair, the members present shall choose some member present to be chairman.

- 47 1 With the consent of any meeting at which a quorum is present the chairman may, (and shall if so directed by the meeting), adjourn the meeting from time to time (or for an indefinite period) and from place to place.
- 47 2 Without prejudice to any other power which he may have under these Articles or at common law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting, to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or to ensure that the business of the meeting is properly disposed of.
- 47 3 No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
- 47 4 Where a meeting is adjourned under this Article indefinitely, the time and place for the adjourned meeting shall be fixed by the Board.
- 47 5 When a meeting is adjourned for fourteen days or more or for an indefinite period, not less than seven days' notice of the adjourned meeting shall be given as in the case of the original meeting.
- 48 If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled to and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loud speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and similarly to be heard and seen by all other persons who are present.
- 49 1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded -
- 49 1 1 by the chairman, or
- 49 1 2 by not less than five members having the right to vote at the meeting, or
- 49 1 3 by members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or

- 49 1 4 by members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right
- 49 2 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll and to vote on a poll
- 49 3 If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner as the chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded The chairman may, in the event of a poll, appoint scrutineers (who need not be members) and may fix some place and time for the purpose of declaring the result of the poll
- 49 4 A poll demanded on a resolution to elect a chairman or on a question of adjournment shall be taken forthwith A poll demanded on any other question shall be taken forthwith or at such time and place as the chairman directs not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded
- 49 5 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded
- 49 6 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and the demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made
- 50 1 If any votes are counted which ought not to have been counted, or might have been rejected, or if any votes are not counted which ought to have been counted the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjourned meeting, and it is in the opinion of the chairman of the meeting of sufficient magnitude to vitiate the result of the voting
- 50 2 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the resolution shall not be invalidated by any error in the ruling In the case of a resolution proposed as an extraordinary or special resolution, no amendment (other than to correct a patent error) may be considered or voted upon
- 50 3 Unless a poll is duly demanded (and the demand is not withdrawn), 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, and an entry to that effect in the book containing the minutes of the proceedings of general meetings shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

- 50 4 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote. The chairman shall not be obliged to exercise his casting vote in any particular way or at all

Votes of Members

- 51 Subject to any special rights or restrictions as to voting attached to any share or in accordance with these Articles,
- 51 1 1 on a show of hands every member who is present in person shall have one vote, and
- 51 1 2 on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder
- 52 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 stand in the register
- 53 A member in respect of whom an order has been made by any competent court having jurisdiction in matters concerning mental health may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person appointed by the court (who may on a poll vote by proxy) provided that such evidence as the Board may require of the authority of the person claiming to exercise the right to vote shall have been deposited at the office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the vote is to be exercised
- 54 Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The authorised person shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company and the corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if an authorised person is present at it
- 55 No member shall, unless the Board otherwise determines, be entitled in respect of a share held by him to vote at any general meeting either in person or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of that share have been paid
- 56 No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed shall be valid for all purposes. Any objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive
- 57 On a poll votes may be given either in person or by proxy. 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

- 58 Any person (whether a member or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion.
- 59 The instrument appointing a proxy shall be in writing in any usual or common form, or such other form as may be approved by the Board and shall be signed by the appointor, or by his duly authorised agent, in writing. If the appointor is a corporation the instrument shall either be executed as a deed or be under the hand of an officer or agent authorised in writing.
- 60 1 The instrument appointing a proxy
- 60 1 1 shall be deposited at the office (or at such other place as may be specified in the notice concerning the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) at least 48 hours before the time fixed for holding the meeting at which the person named in the instrument proposes to vote, or
- 60 1 2 in the case of a poll taken more than 48 hours after it is demanded or in the case of an adjourned meeting to be held more than 48 hours after the time fixed for holding the original meeting, shall be deposited at the office (or at such other place as may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting) at least 24 hours before the time fixed for the taking of the poll, or as the case may be, the time fixed for holding the adjourned meeting, or
- 60 1 3 in the case of a poll which is not taken at the meeting at which it is demanded but is taken 48 hours or less after it is demanded, or in the case of an adjourned meeting to be held 48 hours or less after the time fixed for holding the original meeting, shall be deposited, at the meeting at which the poll is demanded, or as the case may be, at the original meeting, to the chairman of the meeting or the secretary or any director or as directed at the meeting.
- 60 2 In the case of an instrument signed by an agent of a member who is not a corporation, there shall also be deposited, in the manner set out in paragraph 60 1 above, the authority under which the instrument is signed or an office copy of it certified in accordance with section 3 of the Powers of Attorney Act 1971.
- 60 3 In the case of an instrument signed by an officer or other agent of a corporation, the Board may also require there to be deposited, in the manner set out in paragraph 60 1 above, the authority under which the instrument is signed, or a notarial certified copy of it, or such other authorities or documents as shall be specified in the notice of the relevant meeting or in any instrument of proxy issued by the Company in connection with the relevant meeting.
- 60 4 The Board may decide, either generally or in any particular case, to treat an instrument of proxy or any of the documents required under paragraph 60 2 or 60 3 above as properly deposited for the purposes of this Article if a copy of the instrument or other documents is sent by facsimile process to the office (or to such other place as

may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting)

- 60 5 If the instrument of proxy and any of the documents required under paragraph 60 2 or 60 3 above are not deposited in the manner required above, the person named in the instrument of proxy shall not be entitled to vote in respect of the shares in question
- 60 6 If two or more valid but differing instruments of proxy are received in respect of the same share for the use at the same meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share and if the Company is unable to determine which was the last received, none of them shall be treated as valid in respect of that share
- 61 A vote given or poll demanded by proxy or by a representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll or (until entered in the register) the transfer of the share in respect of which the appointment of the relevant person was made unless notice of the termination was received at the office (or at such other place at which the instrument of proxy was duly received) at least six hours before the time fixed for holding the relevant meeting or adjourned meeting or, in the case of a poll not taken on the same day as the meeting or adjourned meeting, before the time fixed for taking the poll
- 62 The Board may at the expense of the Company send to the members, by post or otherwise, instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the directors or any other persons If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of and to vote at the meeting by proxy

Directors

- 63 1 Unless and until otherwise determined by the Company by ordinary resolution and subject to Article 77, the number of directors shall be not more twelve and not less than three
- 63 2 At any time a majority of the directors must be qualifying European Nationals (as defined in Article 35)
- 64 A director shall not require a share qualification but shall nevertheless be entitled to attend and speak at any general meeting or at any separate meeting of the holders of any class of shares
- 65 No director shall be required to retire from office as a director and no person shall be precluded from being appointed or elected as a director by reason of his attaining or having attained the age of seventy years or any other age No special notice need be given of any resolution for the appointment or reappointment or approving the appointment as a director of a person who has attained the age of seventy, and it shall

not be necessary to give to the members notice of the age of any director or person proposed to be appointed or reappointed as a director Section 293 of the Act shall not apply to the Company

Appointment Retirement and Removal of Directors

66 1 Subject to these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with these Articles

66 2 No person other than a director retiring at the meeting shall be eligible for appointment to the office of a director at any general meeting unless he is recommended by the directors for appointment or, not less than six nor more than fourteen clear days before the day appointed for the meeting (other than the person to be proposed), there is given to the Company notice in writing by some member, duly qualified to be present and vote at the meeting for which the notice is given, of his intention to propose the person for appointment, and also notice in writing signed by the person to be proposed of his willingness to be appointed

67 At a general meeting a motion for the appointment of two or more persons as directors by a single resolution shall not be made unless a resolution that it shall be made has been first agreed to by the meeting without any vote being given against it A motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment

68 1 The Board may appoint any person to be a director, either to fill a casual vacancy or as an additional director, but so that the total number of directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles

68 2 Subject to the provisions of the Statutes and of these Articles, any director so appointed by the Board shall hold office only until the conclusion of the next following annual general meeting, and shall be eligible for re-appointment at that meeting A director who retires under this Article shall not be taken into account in determining the directors who are to retire by rotation at the meeting

69 1 Subject to the provisions of these Articles one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire from office at the annual general meeting in every year, but if in any year the number of directors who are subject to retirement by rotation is two, one director shall retire, and, if in any year there is only one director who is subject to retirement by rotation, he shall retire A director retiring at a meeting shall retain office until the dissolution of the meeting

69 2 The directors to retire by rotation at each annual general meeting shall include any director who wishes to retire and not to offer himself for re-appointment and (to the extent that the number of the directors required to retire under this Article exceeds the number of directors so retiring) shall be the directors who, at the date of the notice of the meeting, have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors

on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot and for this purpose all directors who were appointed for the first time by the Board prior to 29 September 1998 shall be deemed to have become directors on the same day

- 69 3 At the annual general meeting at which a director retires by rotation, the Company may fill the vacated office and in default the retiring director, if willing to act, shall be deemed to have been reappointed unless, at the meeting it is expressly resolved not to fill the vacancy, or a resolution for the re-appointment of the director is put to the meeting and lost
- 70 Without prejudice to the provisions of the Statutes, the Company may, by extraordinary resolution or by ordinary resolution, of which special notice has been given in accordance with the Statutes, remove a director before the expiration of his period of office (but without prejudice to any claim for damages for breach of any contract relating to his services) and may, by ordinary resolution, appoint another person in his place. The person appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director who was removed was last appointed or reappointed a director
- 71 The office of a director shall be vacated if
- 71 1 1 he resigns his office by notice in writing (signed by him or his duly authorised attorney) sent to or left at the office and the resignation is not prohibited by the terms of any service agreement between him and the Company, or
 - 71 1 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement, or
 - 71 1 3 an order is made by any court claiming to have jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs, or
 - 71 1 4 he is absent from meetings of the directors for six successive months without leave, and his alternate director (if any) has not attended in his place, and the Board resolves that his office be vacated, or
 - 71 1 5 he ceases to be a director by virtue of any provision of the Statutes or pursuant to these Articles, or
 - 71 1 6 he becomes prohibited by law from being a director, or
 - 71 1 7 he is requested to resign by written notice signed by all the other directors served upon him, but, if he holds an executive office the removal shall be deemed an act of the Company

- 72 1 The Board may appoint any one or more of their body to be the holder of any executive office on such terms as they think fit and may revoke or vary the appointment. The appointment of a director to any executive office shall automatically be terminated if he ceases for any reason to be a director. Any revocation or termination of the appointment shall be without prejudice to any claim for breach of any contract between the director and the Company.
- 72 2 An executive director shall be entitled to such remuneration and other benefits as the Board may determine. For the avoidance of doubt, in this Article, the expression 'the Board' includes a quorum of directors assembled at a duly convened meeting of directors or any committee authorised by the Board to act on its behalf.
- 72 3 A director appointed as chief executive or to any other executive office shall automatically cease to hold that office if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. A director appointed to any other executive office shall not automatically cease to hold that office if he ceases to be a director unless the contract or any resolution under which he holds office expressly states that he shall, in which case that cessation shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Alternate Directors

- 73 1 Any director may at any time appoint any other director, or any other person approved by the Board, to be an alternate director and may at any time remove from office any alternate director so appointed by him. An alternate director shall not be required to hold any share qualification.
- 73 2 Subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him, an alternate director shall be entitled to receive notices of all meetings of the directors, and to attend and vote as a director at any meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in the absence of the appointor.
- 73 3 An alternate director shall ipso facto cease to be an alternate director on the happening of any event which, if he were a director, would cause him to vacate the office or if his appointor ceases for any reason to be a director, but if any director retires whether by rotation or otherwise but is re-appointed, or is deemed to have been re-appointed by the meeting at which the retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not retired. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the director making or revoking the appointment sent to or left at the office.
- 73 4 Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible to the Company for his own acts and defaults. He shall not be deemed to be the agent of the director appointing him. The remuneration of an alternate director shall be payable out of the

remuneration payable to the director appointing him to such extent as is agreed between the alternate director and the director appointing him

Remuneration of Directors

- 74 1 The directors (other than any director who for the time being holds an executive office or employment with the Company or a subsidiary of the Company) shall be entitled to fees at such rate or rates as may from time to time be determined by the directors; but the aggregate fees of the directors shall not exceed £150,000 per annum, or such greater sum as may from time to time be determined by the Company by ordinary resolution. Such fees shall be in addition to the remuneration of any executive director (or the fee payable to any person providing the services of a director). The Company by ordinary resolution may also vote extra fees to the directors. Fees payable to directors shall (unless otherwise determined by the resolution by which they are voted) be divided between the directors as they may agree or, failing agreement, equally. The directors' fees shall be deemed to accrue from day to day.
- 74 2 Subject to the provisions of the Statutes and these Articles, the Board (or any committee authorised by the Board) may arrange for a proportion of the remuneration payable to any director under the provisions of this Article (as the Board or such committee may determine from time to time) to be provided in the form of fully paid ordinary shares in the capital of the Company by applying the relevant amount in the purchase or subscription of such shares on behalf of such director. In the case of a subscription of shares for the purposes of these Articles, the subscription price of such shares shall be deemed to be the closing middle market price (or, as the case may be, the mid-price of the quotation) as published in the Daily Official List published by the London Stock Exchange on the day of such subscription.
- 74 3 The directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company or any member of the Group or in attending and returning from meetings of the directors or of committees of the directors or general meetings of any member of the Group.
- 75 1 Any director who serves on any committee or who devotes special attention to the business of the Company or any member of the Group, or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, participation in profits or otherwise as the Board may determine. For the avoidance of doubt, in this Article the expression 'the Board' includes a quorum of directors assembled at a duly convened meeting of directors or any committee authorised by the directors to act on their behalf.
- 75 2 Any contract of employment entered into by a director with the Company shall not include a term that it is to be for a period exceeding five years unless the term is first approved by ordinary resolution.

Powers of the Board

- 76 1 The business of the Company shall be managed by the Board which may exercise all the powers of the Company which are not by the Statutes or by these Articles required

to be exercised by the Company in general meeting but subject to the provisions of these Articles and of the Statutes, and to such directions, whether or not inconsistent with these Articles, as may be prescribed by the Company by special resolution. No direction and no alteration of these Articles shall invalidate any prior act of the Board which would have been valid if the direction or alteration had not been given or made. The matters to which the directors shall have regard in the performance of their functions shall include the interests of the Company's employees in general as well as the interests of its members. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the directors by any other Article.

- 76.2 The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and uncalled capital and subject to the provisions of the Statutes to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 76.3 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate to the person in whose favour the mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of the uncalled capital, and to sue in the name of the Company or otherwise for the recovery of sums becoming due in respect of calls made and give valid receipts for the same. The power shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors and may be expressed to be assignable.
- 77 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their body, but if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, or below the number fixed by or pursuant to these Articles as the quorum of directors, the continuing directors or director may act for the purpose of filling any vacancies in their body or of summoning general meetings of the Company but not for any other purpose. If there are no directors or director able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.
- 78.1 The Board may establish any councils, committees, local Boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere. They may appoint any persons to be members of the local Boards, committees, councils or agencies or to be managers or agents, and may fix their remuneration. They may delegate to any council, committee, local Board, manager or agent any of the powers, duties, authorities and discretions vested in them with power to sub-delegate, and may authorise the members of any local Board to fill any vacancies, and to act notwithstanding vacancies. The appointment or delegation may be made upon such terms and subject to such conditions as the directors think fit. The Board may remove any person, and may annul or vary any delegation, but no person dealing in good faith and without notice of the removal, termination or variation shall be affected by it. If the powers of the Board are delegated to a committee which includes persons other than directors the number of directors shall always be more than half the total number of members of the committee. No resolution of the committee shall be effective unless a majority of the members of the committee

present at the meeting are directors. If the powers of the directors are delegated or sub-delegated to a committee which consists wholly of directors no resolution of the committee shall be effective unless at least two directors are present at the meeting.

- 78.2 The Board may appoint (whether by power of attorney or otherwise) any person, or any fluctuating body of persons, whether nominated directly or indirectly by the directors, to be the agent of the Company for the purposes and with the powers, authorities and discretions (not exceeding those vested in or exercisable by the directors) for the period and subject to the conditions as they think fit. The appointment may contain such provisions for the protection and convenience of persons dealing with the agent as the directors think fit, and may also authorise the agent to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 79 The Board may cause to be kept in any part of Her Majesty's Dominions outside the United Kingdom, the Channel Islands or the Isle of Man in which the Company transacts business a branch register or registers of members resident there. The Board may (subject to the provisions of the Statutes) make and vary regulations as they think fit respecting the keeping of any branch register.
- 80 The directors may appoint any person (not being a director) 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 that designation or title and may terminate the appointment or the use of the 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 person is, or is deemed to be, empowered in any respect to act as a director of the Company for any of the purposes of the Statutes or these Articles.
- 81 The Board may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons who are or were at any time directors, employees or consultants of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or any such subsidiary, or of any of the predecessors in business of the Company or any such other company, or who may be or have been directors or officers of the Company or of any such other company and who hold or have held executive positions or agreements for service with the Company or any such other company, and the wives, widows, families and dependants of any such persons. They may also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of, the Company or of any such other company or person as mentioned above, and make payments for or towards the insurance of any such person. The Board may also set up, establish, maintain and support any profit sharing or share purchase schemes or trusts within the Company's powers and exercise the Company's powers to lend money (whether or not at commercial rates of interest or at any interest) to, or to guarantee borrowings of, any employees, directors or consultants of any member of the Group or trustees of any such schemes or trusts to enable such schemes or trusts to be established and maintained and to grant to the trustees of such schemes or trusts indemnities as the directors may in their absolute discretions consider appropriate. The Board may

subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid Subject to particulars with respect to the proposed payment being disclosed to the members and to an ordinary resolution, in each case if the Statutes require, any director who holds or has held any such executive position or agreement for services shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument

Directors' Interests

82 1 Subject to the Statutes and to these Articles -

82 1 1 no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit, or as vendor, purchaser or otherwise,

82 1 2 no contract or arrangement entered into by or on behalf of the Company in which any director is in any way, whether directly or indirectly, interested, shall be liable to be avoided,

82 1 3 no director contracting with the Company or being interested in any contract or arrangement with the Company shall be liable to account to the Company for any profit realised by the contract or arrangement, by reason of his being a director or by reason of his fiduciary relationship

82 2 A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director and may act in a professional capacity to the Company, on such terms as to tenure of office, remuneration and otherwise as the Board may determine

83 Any director may continue to be or become a director or other officer or member of, or otherwise interested in, any other company promoted by the Company or in which the Company may be interested, as a member or otherwise, or which is a holding company (as defined in section 736 of the Act) of the Company or a subsidiary of the holding company Subject to any express agreement to the contrary between the directors and the Company, no director shall be accountable for any remuneration or other benefits received by him as a director or other officer or member of, or from his interest in, the other company The directors may exercise the voting power conferred by the shares of any other company held or owned by the Company or exercisable by them as directors of the holding company or subsidiary in such manner as the Board of directors thinks fit (including voting in favour of any resolution appointing any of them directors or other officers of the company, or voting or providing for the payment of remuneration to the directors or other officers of the Company)

84 1 A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of directors In the case of a proposed contract the declaration shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration or, if the director was not at the date of that meeting

interested in the proposed contract, at the next meeting of directors held after he becomes interested. In a case where the director becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the directors held after the director becomes interested, in a case where the director is interested in a contract which has been made before he was appointed a director, the declaration shall be made at the first meeting of the directors held after he is so appointed.

84 2 A general notice given to the directors by any director to the effect that

84 2 1 he is a member of any specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that company or firm or

84 2 2 he is to be regarded as interested in any contract which was or may after the date of the notice be made with a specified person who is connected with him,

shall (if the director gives the notice at a meeting of the directors or takes reasonable steps to secure that it is brought up and read at the next meeting of the directors after it is given) be deemed a sufficient declaration of interest

85 1 A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each director and in that case each of the directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment

85 2 A director shall also not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which (together with any interest of any connected person of his) is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters

85 2 1 any contract in which he is interested by virtue of an interest in shares, debentures or other securities of the Company or otherwise in or through the Company,

85 2 2 the giving of any guarantee, security or indemnity in respect of

(a) money lent or obligations incurred by him or by any other person at the request of, or for the benefit of the Company or any of its subsidiary undertakings, or

- (b) a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part (either alone or jointly with others) under a guarantee or indemnity or by the giving of security,
- 85 2 3 any issue or offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings in respect of which he is or may be entitled to participate in his capacity as a holder of any such securities or as an underwriter or sub-underwriter,
- 85 2 4 any contract concerning any other company in which he and any connected persons do not to his knowledge hold an interest in shares (within the meaning of sections 198 to 211 of the Act) representing one per cent or more of any class of the equity share capital of that company or of the voting rights available to members of that company,
- 85 2 5 any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally accorded to the employees to whom the arrangement relates, and
- 85 2 6 the purchase or maintenance of insurance for the benefit of directors or for the benefit of persons including directors

For the purpose of this paragraph a person is a 'connected person' in relation to a director if that person is deemed to be connected with that director within the meaning of section 246 of the Act

- 85 3 In the case of an alternate director, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has
- 85 4 If any question shall arise at any meeting as to the materiality of an interest of a director (other than the chairman) or as to the entitlement of a director (other than the chairman) to vote which is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting His ruling in relation to any other director shall be final and conclusive except in a case where the nature of the interests of the directors concerned have not been fairly disclosed Any question relating to the chairman shall be referred to the deputy chairman (or in the absence of a deputy chairman to the other directors present) of the meeting and his (or their majority ruling) ruling shall be final and binding except as mentioned
- 85 5 The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article

Proceedings of Directors

- 86 The Board shall meet together for the despatch of business, adjourn and otherwise regulate their meetings as it thinks fit A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors

87 Notice of a Board meeting or committee meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or given in writing or in a similar way to him at his last known address, electronic mail address or facsimile number or any other address, electronic mail address or facsimile number given to him by the Company for this purpose. A director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings and committee meetings shall during his absence be given in writing or in a similar way to him (or his alternate) at an address, electronic mail address or facsimile number given by him to the Company for this purpose, but if no such request is made it shall not be necessary to give notice of a Board meeting or committee meeting to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively.

88 1 All or any one or more of the directors, or any of the members of a committee of directors, may participate in a meeting of the directors or the committee

88 1 1 by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time, or

88 1 2 by a succession of telephone calls to directors from the chairman of the meeting following disclosure to them of all material points

Participating by such means shall constitute presence in person at a meeting. The meeting shall be deemed to have occurred, in the case of 88 1 1 above, at the place where most of the directors participating were present or, if there was no such place where the chairman of the meeting was present and, in the case of 88 1 2 above, where the chairman of the meeting is present.

88 2 The quorum necessary 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. Subject to these Articles, any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the end of the board meeting if no other director objects and if otherwise a quorum of directors would not be present.

Questions arising at a meeting shall be determined by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled, in the absence of the director whom he is representing, to a separate vote on behalf of that director in addition to his own vote.

89 1 The Board may elect from their number, and remove, a chairman and a deputy chairman and determine the period for which they are to hold office.

89 2 The chairman, or in his absence some other director nominated by him in writing, shall preside at all meetings of the directors, but if a chairman is not elected, or if at any meeting neither the chairman nor the nominated director is present within five minutes after the time appointed for holding it, or if neither of them is willing to act as chairman, the directors present may choose one of their number to be chairman of the meeting.

- 89 3 The Board may from time to time appoint any director or former director who has rendered outstanding services to the Company to be President of the Company and may remove or replace him at any time. The President shall not, by virtue of that office alone, be a director but, if not a director, he may by invitation of the directors attend meetings of the directors for the purpose of giving advice. The President shall receive remuneration as the Board thinks fit.
- 90 A resolution in writing, signed by all the directors entitled to receive notice of a meeting of directors, shall be as effective as a resolution passed at a meeting of the directors duly convened and held, and may consist of several documents in the same form each signed by one or more of the directors.
- 91 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.
- 92 1 The directors may delegate any of their powers, duties, discretion and/or authorities to committees consisting of such members or member of their body as they think fit. A committee shall in the exercise of the delegated powers conform to any regulations that may be imposed on it by the directors.
- 92 2 The meetings and proceedings of committees consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors so far as applicable and not superseded by any regulations made by the directors.
- 93 All acts done bona fide by any meeting of directors, or of a committee of directors, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any or more of them or that they or any of them were disqualified, or that he or they had vacated office, or was or were not entitled to vote, be as valid as if he or they had been duly appointed and was or were qualified and had continued to be a director and had been entitled to vote.

Minutes

- 94 The Board shall cause minutes to be made -
- 94 1 1 of all appointments of officers made by the directors,
- 94 1 2 of the names of the directors present at each meeting of directors and of any committee of directors,
- 94 1 3 of all resolutions and proceedings at all meetings of the Company, of the directors and of committees of directors.

A minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

Secretary

- 95 1 The secretary shall be qualified in accordance with the provisions of the Statutes and shall be appointed and may be removed by the directors
- 95 2 Anything by the Statutes or these Articles required or authorised to be done by or to the secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the directors, but any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary

Seals

- 96 1 The Company may have official seals under the provisions of sections 39 and 40 of the Act for use as the Board may determine
- 96 2 The Board shall provide for the safe custody of every seal and a seal shall never be used except by the authority of a resolution of the Board or of a committee of the Board authorised in that behalf by the directors. The Board may make such regulations as it thinks fit (subject to the provisions of these Articles in relation to share and debenture certificates) determining the identities and the number of the persons who shall sign every instrument to which a seal is affixed
- 96 3 Unless otherwise decided by the Board
- 96 3 1 certificates for shares, debentures or other securities of the Company issued under seal need not be signed, and
- 96 3 2 every other instrument to which a seal is applied shall be signed by at least one director and the secretary or by at least two directors
- 97 Subject to the Statutes and any regulations made under them, a document signed by a director and the secretary or by two directors of the Company and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if it were under the seal and a document which 96 3 1 is intended by the person or persons making it to be a deed and 96 3 2 makes that fact clear upon its face (in whatever form of words) shall have effect, upon delivery, as a deed

Dividends

- 98 The profits of the Company available for distribution and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company may by ordinary resolution declare dividends accordingly
- 99 1 The Board may, with the sanction of an ordinary resolution, offer the shareholders or any class of them (other than those not entitled to the relevant dividend or dividends) the right to elect to receive ordinary shares, credited as fully paid, in whole or in part,

in such manner as they may think fit, in lieu of cash in respect of all (or some part) of any dividend specified by the resolution (a 'group dividend') in accordance with the following provisions in this article

- 99 2 The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than five years after the date of the meeting at which the ordinary resolution is passed
- 99 3 The entitlement of each shareholder to new ordinary shares shall be such that their Relevant Value (including any financial entitlement) shall be as nearly as possible equal to (but not in excess of) the cash amount that he would have received by way of dividend (disregarding the amount of any associated tax credit)
- 99 4 For the purpose of paragraph 99 3, the 'Relevant Value' of a share shall be
- 99 4 1 the average of the middle market quotations for the ordinary shares on The Stock Exchange, as derived from the Daily Official List (or any successor list), on the day when the ordinary shares are first quoted 'ex' the relevant dividend and the four subsequent dealing days, or
- 99 4 2 calculated in such manner as may be determined by or in accordance with the ordinary resolution
- 99 5 The Board, after determining the basis of allotment, shall notify the relevant shareholders in writing of the right of election offered to them and shall send, with or following the notification, forms of election and specify the procedure to be followed and the place at which and the latest time by which duly completed forms of election must be lodged in order to be effective The Board may also send forms under which shareholders may elect to receive ordinary shares instead of cash in respect of the relevant dividend and in respect of future dividends not yet declared or resolved (and accordingly in respect of which the basis of allotment has not been determined)
- 99 6 The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which the election has been duly made ('the elected shares') and in its place additional ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment specified The Board shall capitalise, out of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis and apply the sum in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected shares
- 99 7 The additional ordinary shares shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue save only as regards participation in the relevant dividend

- 99 8 In relation to any particular proposed dividend the Board may withdraw the offer previously made to ordinary shareholders to make an election at any time prior to the allotment of the additional ordinary shares
- 99 9 The Board may decide that the right to elect for any scrip dividend shall not be made available to members resident in any territory where, in the opinion of the Board, compliance with local laws or regulations would be unduly onerous
- 99 10 The Board may do all acts and things as it considers necessary or expedient to give effect to the provisions of a scrip dividend and the issue of any shares in accordance with the provisions of this Article, and may make such provisions as it thinks fit for the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the Company rather than to the member concerned) To the extent that the entitlement of any holder of shares in respect of any dividend is less than the value of one new share (as determined for the basis of any scrip dividend) the Board may also from time to time establish or vary a procedure for such entitlement to be accrued and aggregated with any similar entitlement for the purposes of any subsequent scrip dividend
- 100 No dividend or interim dividend shall be payable otherwise than in accordance with the provisions of the Statutes and no dividend shall exceed the amount recommended by the directors
- 101 Subject to any preferential or other special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares (otherwise than in advance of calls) in respect of which the dividend is paid All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it shall carry any particular rights as to dividend, it shall rank (subject to the provisions of the Statutes) for dividend accordingly
- 102 Subject to the provisions of the Statutes and of these Articles the directors may pay to the members such interim dividends as appear to them to be justified by the distributable profits of the Company If the share capital of the Company is divided into different classes, the directors may pay interim dividends in respect of those shares which confer deferred or non-preferred rights, as well as in respect of those shares which confer preferential rights with regard to dividend The directors may also pay half-yearly, or at other suitable intervals to be settled by them, any fixed rate dividend if they are of the opinion that the distributable profits justify the payment, if the directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any loss that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights
- 103 The Board may deduct from any dividend or other moneys payable to any member on or in respect of a share any sums presently payable by him (either alone or jointly with another) to the Company on account of calls or otherwise in relation to the shares of the Company and may apply the monies so deducted in satisfaction of such amounts payable by him to the Company

- 104 1 All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect of them. No dividend shall bear interest as against the Company.
- 104 2 Any dividend which has remained unclaimed for a period of twelve years from the date of declaration shall, if the Board shall so resolve, be forfeited and cease to remain owing by the Company and shall belong to the Company absolutely.
- 105 1 Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent by post to the registered address of the member or person entitled or, in the case of joint holders to any one of the joint holders, or to such person and such address as the holder or joint holders may in writing direct. Every cheque or warrant shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct. Payment of the cheque or warrant shall be a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled.
- 105 2 In addition any dividend or other such moneys payable may be paid by any bank or other funds transfer system or such other means, and to or through such person, as the holder or joint holders may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any transfer or when it has acted on any relevant directions.
- 105 3 Any one of joint holders of any share may give effectual receipts for any dividend or other moneys payable on or in respect of the share.
- 105 4 Any dividend or other sum payable in respect of any share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the register were the registered address.
- 106 A general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct payment of the dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company. The Board shall give effect to the resolution so far as it is able. The Board may settle any difficulty which arises in regard to the distribution as it thinks expedient, and in particular may issue fractional certificates, and may fix the value for distribution of the specific assets and may determine that cash payments shall be made to any members upon the footing of that value in order to adjust the rights of members. The Board may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Board, and generally may make the arrangements for the allotment, acceptance and sale of the specific assets or fractional certificates, as they think fit.
- 107 1 Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares, the Company by ordinary resolution or the Board may fix any date as the record date for any dividend, distribution, allotment or issue. The record date 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.

- 107 2 In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made

Reserves

- 108 The Board may before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company (including any premiums received upon the issue of debentures or other securities of the Company) such sums as it thinks proper as a reserve or reserves, which shall, at the discretion of the directors, be applicable for any purpose to which the profits of the Company may properly be applied. Pending application, the reserves may at the Board's discretion either be employed in the business of the Company or be invested in such investments as the Board thinks fit. The directors may also, without placing them to reserve, carry forward any profits which they think it prudent not to divide

Capitalisation

- 109 The Company may by ordinary resolution on the recommendation of the Board resolve that -

- 109 1 it is desirable to capitalise any part of the amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account and not required for paying preferential dividends, and accordingly that

- 109 1 1 the Board be authorised and directed to appropriate the sum resolved to be capitalised to the holders of ordinary shares in the proportions in which it would have been divisible amongst them had it been a dividend and to apply the sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to the sum, the shares or debentures to be allotted and distributed credited as fully paid up to and amongst such holders in those proportions or otherwise deal with such sums as directed by the resolution, or partly in one way and partly in the other, Provided that a sum standing to the credit of a share premium account or a reserve account created under Article 108 and any sums not available for distribution may, for the purposes of this Article, be applied only in the paying up of unissued shares to be allotted to members as credited fully paid,

and the Board shall give effect to the resolution so far as it is able

- 110 Whenever a capitalisation resolution has been passed, the Board shall make all appropriations and applications of the sum resolved to be capitalised by it and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect to the resolution, with full power to the Board to make such provisions (by the issue of fractional certificates, by aggregation and sale, to which fractions the provisions of Article 39 shall apply, or otherwise as they think fit) in respect of shares or debentures becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled to the

benefit of the appropriations and applications into an agreement with the Company providing for the allotment to them respectively of any shares or debentures to which they may be entitled or (as the case may require) for the payment up by the Company on their behalf, by the application of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares Any agreement made under the authority shall be effective and binding on all the members concerned

111 1 This Article (which is without prejudice to the generality of the provisions of the immediately preceding Article) applies

111 1 1 where a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the Company in cash at a subscription price less than their nominal value, and

111 1 2 where, pursuant to an employees' share scheme, the terms on which any person is entitled to subscribe in cash for shares in the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price is less than their nominal value

111 2 In any such case the Board

111 2 1 shall transfer to a reserve account a sum equal to the deficiency between the subscription price and the nominal value of the shares (the 'cash deficiency')

111 2 2 (subject to paragraph 111 2 4 below) shall not apply that reserve account for any purpose other than paying up the cash deficiency upon the allotment of those shares

111 2 3 Whenever the Company is required to allot shares prior to such a right to subscribe, the Board shall (subject to the Statutes) appropriate to capital out of the reserve account an amount equal to the cash deficiency applicable to those shares, apply that amount in paying up the deficiency on the nominal value of those shares credited as fully paid to the person entitled to them

111 2 4 If any person ceases to be entitled to subscribe for shares as described above, the restrictions on the reserve account shall cease to apply in relation to such part of the account as is equal to the amount of the cash deficiency applicable to those shares

111 2 5 No right shall be granted under any employees' share scheme under paragraph 111 1 1 above and no adjustment shall be made as mentioned in paragraph 111 1 2 above unless there are sufficient profits or reserves of the Company available for distribution and not required for the payment of any preferential dividend to permit the transfer to a reserve account in accordance with this Article of an amount sufficient to pay up the cash deficiency applicable to the shares concerned

Accounts

- 112 1 1 The Board shall cause proper accounting records to be kept in accordance with the Statutes
- 112 1 2 The accounting records shall be kept at the office, or (subject to the provisions of the Statutes) at such other place as the Board thinks fit, and shall always be open to inspection by the officers of the Company No member (other than a director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or authorised by the directors or by the Company by ordinary resolution
- 112 1 3 The Board shall in accordance with the provisions of the Statutes cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Statutes
- 112 1 4 The auditors' report shall be open to inspection as required by the Statutes
- 113 1 A printed copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be annexed) together with a copy of the auditors' report and directors' report shall, not less than twenty-one days before the general meeting before which they are to be laid, be delivered or sent by post to the registered address of every member and holder of debentures of the Company and to the auditors
- 113 2 If any of the shares in or debentures of the Company are listed on The Stock Exchange, there shall at the same time be forwarded to The Stock Exchange such number of copies of each of these documents as may be required by its regulations
- 113 3 This Article shall not require a copy of these documents to be sent to any person to whom copies need not be sent under the Statutes
- 113 4 The requirements of this Article shall be deemed satisfied in relation to members by sending to each member instead of those documents, where permitted by the Statutes, a summary financial statement derived from the Company's annual accounts and the directors' report and prepared in the form and containing the information prescribed by the Statutes and any regulations made under them

Audit

- 114 1 Once at least in every year the accounts of the Company shall be examined and the correctness of the balance sheet, profit and loss account and group accounts (if any) ascertained by the auditors
- 114 2 Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes

Notices

- 115 1 Any notice or document may be given or served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to him at his address as appearing in the register of members, or by facsimile transmission to any facsimile number notified by him to the Company
- 115 2 In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register of members. Notice given in this way shall be sufficient notice to all the joint holders
- 115 3 If a member's registered address is not in the United Kingdom he shall not be entitled to receive any notice from the Company unless he gives to the Company an address within the United Kingdom at which notices may be served upon him in which case he shall be entitled to have notices served on him at that address
- 116 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general or class meeting by notice sent through the post, the meeting may be convened by notice advertised in at least one national daily newspaper with appropriate circulation which shall be a leading London daily newspaper. The notice shall be deemed to have been duly served at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least six clear days prior to the meeting the posting of notices to addresses within the United Kingdom again becomes practicable
- 117 Any notice required to be given by the Company to the members or any of them, and not provided for by or pursuant to these Articles, may be given by advertisement inserted in at least one leading daily newspaper published in London
- 118 1 A notice or other document required to be given or sent by the Company to a member, if given or sent by first class post, shall be deemed to have been given or sent on the day after the day on which it is posted. Proof that the letter containing the notice or document was properly addressed and duly posted shall be conclusive evidence that it was given or sent. A notice to be given by advertisement shall be deemed to have been given on the day on which the advertisement appears. Any notice given by the Company to a member by facsimile transmission shall be deemed to have been given (in the absence of an indication of failure of transmission) when transmitted
- 118 2 A member present, either in person or by proxy, at any meeting shall for all purposes be deemed to have received due notice of the meeting and, where relevant, of the purposes for which the meeting was convened
- 118 3 Every person who becomes entitled to any share shall be bound by any notice (other than a Disclosure Notice) in respect of the share which, before his name and address are entered in the register of members, is duly sent to the registered address of the person from whom he derives his title
- 119 A notice or document delivered or sent by post to or left at the registered address of any member shall, even if the member is then dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice to

that effect, be deemed to have been duly served in respect of any share registered in his name as sole or joint holder unless his name has at the time of the service of the notice or document been removed from the register of members as the holder of the share. The service shall for all purposes be deemed a sufficient service of the notice or document on all persons interested (whether jointly with or as claiming through him) in the share.

- 120 1 For the purposes of giving notices or other documents, whether under section 370(2) of the Act, any other Statute, a provision in these Articles or any other instrument, the Company may determine that persons entitled to receive such notices or other documents are those persons entered on the register at the close of business of a day determined by it.
- 120 2 The day determined by the Company under paragraph 120 1 above may not be more than twenty-one days before the day that the notice of the meeting or other documents is sent.
- 120 3 For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the Company may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting by which a person must be entered on the register in order to have the right to attend or vote at the meeting.
- 120 4 Changes to entries on the register after the time specified by virtue of paragraph 120 3 above shall be disregarded in determining the rights of any person to attend or vote at the meeting notwithstanding any provisions in the Statutes or these Articles to the contrary.

Destruction of Documents

- 121 1 The Board may authorise or arrange the destruction of documents held by the Company as follows:
- 121 1 1 at any time after the expiration of six years from the date of registration all instruments of transfer of shares and all other documents transferring or purporting to transfer shares or representing or purporting to represent the right to be registered as the holder of shares on the faith of which entries have been made in the register
 - 121 1 2 At any time after the expiration of one year from the date of cancellation, all registered share certificates which have been cancelled
 - 121 1 3 At any time after the expiration of two years from the date of recording them, all dividend mandates and notifications of change of address, and
 - 121 1 4 At the time after the expiration of one year from the date of actual payment, all paid dividend warrants and cheques
- 121 2 It shall conclusively be presumed in favour of the Company that

- 121 2 1 every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made,
- 121 2 2 every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,
- 121 2 3 every share certificate so destroyed was a valid certificate duly and property cancelled,
- 121 2 4 Every other document mentioned in paragraph 121 1 above so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company, and
- 121 2 5 Every paid dividend warrant and cheque so destroyed was duly paid
- 121 3 The provisions of paragraph 121 2 above shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant
- 121 4 Nothing in this article shall be construed as imposing on the Company or the Board any liability in respect of the destruction of any document earlier than as stated in paragraph 121 1 above or in any other circumstances in which liability would not attach to the Company or the Board in the absence of this Article.
- 121 5 References in this Article to the destruction of any document include references to its disposal in any manner

Winding Up

- 122 If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an extraordinary resolution
 - 122 1 1 divide among the members in specie the whole or any part of the assets of the Company, whether or not they consist of property of one kind or of properties of members or different classes of members,
 - 122 1 2 vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, thinks fit, whereupon the liquidation of the Company may be closed and the Company dissolvedand may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how the division shall be carried out as between members but so that no member shall be compelled to accept any asset upon which there is any liability
- 123 The Company may by ordinary resolution exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the

transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

Indemnity

- 124 1 Subject to the provisions of the Statutes, every director or other officer and the auditor shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation to it
- 124 2 The Company may purchase and maintain for any director, other officer, employee or the auditor insurance against any liabilities which by virtue of any law would attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company