

Registered No. 2153093

ARTICLES OF ASSOCIATION

-of-

SCHRODER ASIAN TOTAL RETURN INVESTMENT COMPANY PLC

public company limited by shares

(Articles adopted on 11 May 2022)

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THE COMPANIES ACT 2006 COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Adopted by Special Resolution passed on 11 May 2022

of

SCHRODER ASIAN TOTAL RETURN INVESTMENT COMPANY PLC

PRELIMINARY

1. **Table A not to apply**

The regulations in Table A in The Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company

2. **Interpretation**

In these Articles (if not inconsistent with the subject or context} the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively

"**Act**" the Companies Act 2006

"**address**" includes a number or address used for the purposes of sending or receiving documents or information by electronic means

"**these Articles**" these Articles of Association as altered from time to time and "Article" means one of these Articles

"**Auditors**" the auditors for the time being of the Company, or in the case of joint auditors, any one of them

"**authenticated**" (subject to section 1146 of the Act) authenticated in such manner as the board in its absolute discretion may determine and the term "authenticate" shall be construed accordingly

"**Benefit Plan Investors**" (as defined in Section 3(42) of ERISA and any regulations promulgated thereunder), including without limitation:

- (a) any "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to the provisions of Part 4 of Title I of ERISA;
- (b) a "plan" as defined in and subject to Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; and
- (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements by reason of any such plans' investment in the entity, a "plan" that is

subject to the prohibited transaction provisions of Section 4975 of the US Tax Code, and entities the assets of which are treated as "plan assets" under Section 3(42) of ERISA by reason of investment therein by Benefit Plan Investors

"Board" the Board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present

"clear days" (in relation to the period of a 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

"Director" a director for the time being of the Company and includes any person appointed by him as his alternate director but only while acting as such

"dividend" includes a distribution and a bonus, if not inconsistent with the subject or context

"DTRs" the Financial Conduct Authority's Disclosure Guidance and Transparency Rules Sourcebook

"electronic facility" a device, system, procedure, method or facility providing an electronic means of attendance at or participation in (or both attendance at and participation in) a General Meeting determined by the Directors pursuant to Article 48.2 and "electronic facilities" shall be construed accordingly

"electronic form" and **"electronic means"** have the meaning given to them in section 1168 of the Act

"ERISA" United States Employee Retirement Income Security Act of 1974 as amended from time to time, and the applicable regulations thereunder

"FATCA" the US Foreign Account Tax Compliance Act 2010 as amended from time to time

"FCA" the Financial Conduct Authority and any successor thereto

"FSMA" the Financial Services and Markets Act 2000

"General Meeting" any general meeting of the Company, including an annual general meeting

"Group" the Company and its subsidiaries (within the meaning of section 1159 of the Act) for the time being

"holder" (in relation to the shares) the member whose name is entered in the register of members as the holder of the shares or, where the context permits, the members whose names are entered into the Register as the joint holders of the shares

"the London Stock Exchange" the London Stock Exchange plc

"Month" calendar month

"Non-Qualified Holder" any holder of shares declared as such by the Board in accordance with Article 144.3 or Article 144.4

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

"Official List" the list of securities that have been admitted to listing which is maintained by the FCA in accordance with FSMA

"Onerous Obligation" any circumstances, including the application of any legislation or regulation, wheresoever enacted, which would or might, in the opinion of the Board:

- (a) cause the Company's assets to be deemed, for the purpose of ERISA or the US Tax Code, the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (iii) an entity whose underlying assets are considered to include "plan assets" by reason of investment in such entity by an "employee benefit plan" or "plan" (as described in the preceding paragraphs (i) and (ii));
- (b) cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act) or similar legislation, or to lose an exemption or status thereunder to which it might otherwise be entitled;
- (c) cause the Company (or, in relation to paragraph (c)(ii) below, any of its appointed investment managers or investment advisers) to have to: (i) register or qualify itself or any of the shares in the Company under the US Securities Act or the US Exchange Act or with any securities regulatory authority of any state or other jurisdiction of the United States; (ii) register as an "investment adviser" under the US Investment Advisers Act of 1940, as amended; or (iii) register or qualify itself or any of the shares in the Company under any similar legislation in any territory or jurisdiction;
- (d) cause the Company not to be considered a "Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act;
- (e) cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code;

- (f) cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction (including the United Kingdom's International Tax Compliance Regulations 2015 (SI 2015/878), or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the member concerned to provide promptly to the Company the Information (as defined in Article 144.1; or
- (g) cause a significant legal or regulatory issue for the Company under the US Bank Holding Company Act of 1956, as amended, or regulations or interpretations thereunder

"Paid" paid or created as paid

"Prohibited Shares" shares declared as such by the Board in accordance with Article 144.3 or Article 144.4

"Register" the register of members of the Company

"Regulation S" the rules and regulations under Regulation S, as promulgated by the US Securities and Exchange Commission under the US Securities Act;

"Seal" the common seal of the Company or any official Securities Seal that the Company may be permitted to have under the Statutes

"Securities Seal" an official seal kept by the Company by virtue of Section 50 of the Act

"Statutes" the Act and every other statute for the time being in force concerning companies and affecting the Company

"Transfer Office" the place where the Register is situated for the time being

"United Kingdom" Great Britain and Northern Ireland

"United States" or **"US"** the United States of America, its territories and possessions, any state of the United States and the District of Columbia

"US Exchange Act" the United States Securities Exchange Act of 1934, as amended

"US Investment Company Act" the US Investment Company Act of 1940, as amended

"US Person" a person who is either: (a) a "US person" within the meaning of Regulation S; or (b) not a "Non-United States person" within the meaning of the United States Commodity Futures Trading Commission Rule 4.7(a)(I)(iv)

"US Securities Act" the US Securities Act of 1933, as amended

"**US Tax Code**" the US Internal Revenue Code of 1986, as amended

"**Working day**" has the meaning given to it in Section 1173 of the Act

"**writing**" includes printing, typewriting, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form, including (subject to the provisions of the Statutes) in electronic form

"**Year**" calendar year

The expression "**Adjusted Capital and Reserves**" means at any material time a sum equal to the aggregate of:

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the capital and revenue reserves of the Company and its subsidiary undertakings (including any share premium account or capital redemption reserve) after adding thereto or deducting any balance to the credit or debit of profit and loss account, all based on a consolidation of the then latest available audited balance sheets of the Company and its subsidiary undertakings.

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

The expressions "**recognised clearing house**" and "**recognised investment exchange**" shall mean any clearing house or investment exchange (as the case may be) granted recognition under FSMA.

The expression "**Secretary**" shall include any person appointed by the directors to perform any of the duties of the Secretary including, but not limited to, a joint, assistant or deputy Secretary.

The expression "**shareholders' meeting**" shall include both a General Meeting, an annual general meeting and a meeting of the holders of any class of shares of the Company.

The expression "**meeting**" shall mean a meeting convened and held in any manner permitted by these Articles, including a General Meeting of the Company at which some persons entitled to be present attend and participate by means of an electronic facility or facilities in accordance with these Articles, and such persons shall be deemed to be "present" at that meeting for all the purposes of the Statutes and the Articles and "attend" and "participate", "attending" and "participating" and "attendance" and "participation" shall be construed accordingly.

References to a person's "**participation**" in the business of any General Meeting includes as relevant the right (including, in the case of a corporation, through a duly appointed representative) to speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which

are required by the Statutes or these Articles to be made available at the meeting and "participate" and "participating" shall be construed accordingly.

All such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words "**share**" and "**shareholder**" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa.

Words denoting the masculine shall include the feminine.

Words denoting persons shall include bodies corporate and unincorporated associations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the adoption of these Articles).

Subject as aforesaid, any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

CHANGE OF NAME

3. The name of the Company may be changed either by the members by special resolution or by the Board.

LIMITED LIABILITY

4. The liability of the members is limited to the amount, if any, unpaid on their shares.

ALTERATION OF SHARE CAPITAL

5. Increase of share capital

The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

6. Consolidation, subdivision and cancellation

- 6.1. The Company may by Ordinary Resolution:

- 6.1.1. authorise the Directors to increase its share capital by allotting new shares;

- 6.1.2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - 6.1.3. subject to the provisions of the Statutes, subdivide its shares, or any of them, into shares of smaller amount, and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and
 - 6.1.4. redenominate its share capital by converting shares from having fixed nominal value in one currency to having a fixed nominal value in another currency.
- 6.2. Whenever as a result of a consolidation, division, sub-division or redenomination of shares any members would become entitled to fractions of a share, the Directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those members, and the Directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

7. Purchase of own shares

Subject to the provisions of the Statutes, the Company may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class (including any redeemable shares) but so that if there shall be in issue any shares convertible into equity share capital of the Company of the class proposed to be purchased, then the Company shall not purchase, or enter into a contract under which it will or may purchase, such equity shares unless either:

- 7.1. the terms of issue of such convertible shares include provisions permitting the Company to purchase its own equity shares; or
- 7.2. the purchase, or the contract, has first been approved by a Special Resolution passed at a separate meeting of the holders of such convertible shares.

8. Reduction of capital

Subject to the provisions of the Statutes, the Company may by Special Resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any way.

SHARES

9. Rights attaching to shares on issue

Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.

10. Directors' power to allot

- 10.1. Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, the Board may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of any new shares to such persons, at such times and on such terms as they think proper.
- 10.2. The Board may, at any time after the allotment of any share but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and accord to any allottee of a share a right to effect such renunciation and/or allow the rights represented thereby to be one or more participating securities, in each case upon and subject to such terms and conditions as the Board may think fit to impose.
- 10.3. Subject to the Statutes, the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion and these Articles shall be construed accordingly.

11. Commissions on issue of shares

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

12. Renunciation of allotment

The Directors may at any time after the allotment of any share, but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

13. Trust etc interests not recognised and nomination rights

- 13.1. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other

right in respect of any share, except an absolute right to the entirety thereof in the holder.

- 13.2. The Directors shall be entitled to prescribe the form of any notification that may be given to the Company pursuant to Sections 146-150 of the Act.

SHARE CERTIFICATES

14. Issue of share certificates

Every person (except a person to whom the Company is not required by law to issue a certificate) whose name is entered in the Register shall upon the issue or transfer to him of shares be entitled without payment to a certificate therefore (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within five business days after lodgment of the transfer or (in the case of a transfer of partly-paid shares) within two months after lodgement of the transfer.

15. Form of share certificate

Every share certificate shall be authenticated by the Company in such manner as the Directors may decide (which may include use of the Seal or the Securities Seal (or, in the case of shares on a branch register, an official seal for use in the relevant territory) by one or more Directors) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.

16. Joint holders

In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefore and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

17. Replacement of share certificates

- 17.1. Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 17.2. If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.
- 17.3. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

- 17.4. In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

CALLS ON SHARES

18. Power to make calls

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of allotment of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

19. Liability for calls

Each member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine

20. Interest on overdue amounts

If a sum called in respect of a share is not paid before, or on, the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case, or cases, to waive payment of such interest wholly or in part.

21. Other sums due on shares

Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or at any fixed date shall, for all the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

22. Power to differentiate between holders

The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

23. Payment of calls in advance

The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the

shares in respect of which it is made and upon the money so received (until and to the extent that the same would, but for such advance become payable) the Company may pay interest at such rate (not exceeding 17 per cent. per annum) as the member paying such sum and the Directors may agree.

FORFEITURE AND LIEN

24. Notice on failure to pay a call

24.1. If a member fails to pay in full any call or instalment of a call on or before the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

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

25. Forfeiture for non-compliance

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

26. Disposal of forfeited shares

A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

27. Holder to remain liable despite forfeiture

A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares (and shall surrender to the Company for cancellation the certificate for such shares) but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance

for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part.

28. Lien on partly-paid shares

The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

29. Sale of shares subject to lien

The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing demanding payment of the sum presently payable and giving notice of intention to sell the share in default of payment shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

30. Proceeds of sale of shares subject to lien

The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount in respect whereof the lien exists so far as the same is then payable and any residue shall, upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently payable as existed upon the shares prior to the sale, be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

31. Evidence of forfeiture

A statutory declaration in writing that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

VARIATION OF RIGHTS

32. Manner of variation of rights

32.1. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in

writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

- 32.2. To every such separate meeting all the provisions of these Articles relating to General Meetings and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him.
- 32.3. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

33. **Matters not constituting variation of rights**

The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto or (b) the purchase by the Company of any of its own shares.

TRANSFER OF SHARES

34. **Form of transfer**

All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be authenticated 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.

35. **Balance certificate**

Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

36. **Right to refuse registration**

- 36.1. The Directors may decline to recognise any instrument of transfer unless it is in respect of only one class of share and is lodged (duly stamped if required) at the Transfer Office accompanied by the relevant share certificate(s) and

such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

- 36.2. The Directors may in their absolute discretion and without assigning any reason therefore refuse to register any transfer of shares (not being fully-paid shares) provided that, where any such shares are admitted to the Official List, 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 Directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the Directors refuse to register an allotment or transfer they shall, as soon as practicable and in any event within two months after the date on which the letter of allotment or transfer was lodged with the Company, send to the allottee or transferee notice of the refusal. At the same time as it sends the transferee notice of a refusal to register a transfer, the Board will provide the transferee with its reasons for the refusal.

37. Retention of transfers

All instruments of transfer which are registered may be retained by the Company.

38. No fee on registration

No fee will be charged by the Company in respect of the registration of any instrument of transfer 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.

39. Branch Register

Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

TRANSMISSION OF SHARES

40. Persons entitled on death

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

41. Election by persons entitled by transmission

A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing to that effect or transfer such share to some other 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 aforesaid as if the notice or transfer were a transfer executed by the member registered as the holder of any such share.

42. Rights of persons entitled by transmission

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to shareholders' meetings until he shall have been registered as a member in respect of the share.

CONVERSION OF SHARES INTO STOCK

43. Conversion of shares into stock

- 43.1. The Company may from time to time by Ordinary Resolution convert all or any paid-up shares into stock or reconvert any stock into paid-up shares of any denomination.
- 43.2. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit). No stock shall be transferable except in such units (not being greater than the nominal amount of the shares from which the stock arose) as the Directors may from time to time determine.
- 43.3. The holders of stock shall according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

SHARE WARRANTS

44. Share warrants

The Company with respect to fully paid-up shares may issue warrants (hereinafter called "share warrants") stating that the bearer is entitled to the shares therein

specified, and may provide by coupons or otherwise for the payment of future dividends on the shares included in such warrants. The Directors may determine and from time to time vary the conditions upon which share warrants shall be issued and upon which a new share warrant or coupon shall be issued in place of one worn out, defaced or destroyed (subject to the condition that no new share warrant will be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed) and upon 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 upon which a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares therein specified.

Subject to such conditions and to these presents, the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold such warrant subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such warrant.

UNTRACED SHAREHOLDERS

45. Untraced shareholders

45.1. The Company shall be entitled to sell at the best price reasonably obtainable at the time of sale the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:

45.1.1. during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph 45.1.2 below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares have become payable and no dividend in respect of those shares has been claimed; and

45.1.2. the Company shall on expiry of such period of 12 years have inserted advertisements in both a national newspaper and in a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the said shares; and

45.1.3. during the period of three months following the publication of such advertisements the Company shall have received no communication from such member or person; and

45.1.4. notice shall have been given to the London Stock Exchange of its intention to make such sale.

45.2. To give effect to any such sale the Company may appoint any person to authenticate as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been authenticated by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall

belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

GENERAL MEETINGS

46. Annual and General Meetings

An Annual General Meeting shall be held once in every year subject to the provisions of the Statutes, at such time and by such means of attendance and participation as may be determined by the Directors. All other General Meetings shall be called General Meetings.

47. Convening of General Meetings

47.1. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene a General Meeting.

47.2. The Directors shall determine in relation to each General Meeting the date, time and means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the General Meeting shall be entitled to do so by simultaneous attendance and participation at a physical place (or places) anywhere in the world determined by it, or by means of an electronic facility or facilities determined by it in accordance with the following provisions of these Articles, or partly in one way and partly in another.

48. Attendance and participation at different places and by electronic means

48.1. The Directors may resolve to enable persons entitled to attend and participate in a General Meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the General Meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the General Meeting to ensure that members attending at all the meeting places are able to:

48.1.1. participate in the business for which the meeting has been convened;

48.1.2. hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

- 48.1.3. be heard by all other persons attending and participating in the meeting.
- 48.2. The Directors may resolve to enable persons entitled to attend and participate in a General Meeting to do so (wholly or partly) by simultaneous attendance and participation by means of an electronic facility and determine the means, or all different means, of attendance and participation used in relation to the General Meeting. The members present in person or by proxy by means of an electronic facility (as so determined by the Directors) shall be counted in the quorum for, and be entitled to participate in, the General Meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including by means of an electronic facility) are able to:
- 48.2.1. participate in the business for which the meeting has been convened;
- 48.2.2. hear all persons who speak at the meeting; and
- 48.2.3. be heard by all other persons attending and participating in the meeting.
- 48.3. In the event of a General Meeting at a physical place or places, the chairman of the meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the chairman of the meeting shall apply equally to each satellite meeting place, including his power to adjourn the meeting. Under no circumstances will a failure (for any reason) of communication equipment, or any other failure in the arrangements for participation in the meeting at more than one place, affect the validity of such meeting at the principal meeting place, or any business conducted thereat, or any action taken pursuant thereto.
- 48.4. A person (a “**satellite chairman**”) appointed by the Directors shall preside at each of the satellite meeting places (if any). Every satellite chairman shall carry out all requests made of him by the chairman of the General Meeting, may take such action as he thinks necessary to maintain the proper and orderly conduct of the satellite meeting and shall have all powers necessary or desirable for such purposes.
- 48.5. If, in the case of a General Meeting that is held wholly or partly by means of an electronic facility, any document is required to be on display or available for inspection at that meeting (whether prior to and/or for the duration of the meeting), the Company shall ensure that it is electronically available to persons entitled to inspect it for at least the required period of time. Compliance with this Article in relation to a document shall be deemed to satisfy any requirement for that document to be on display or available for inspection in relation to that meeting.
- 48.6. All persons seeking to attend or participate in a General Meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement of the chairman of the meeting to adjourn a General Meeting in accordance with the

provisions of Article 55, any inability of a person or persons to attend or participate in a General Meeting by way of an electronic facility or facilities (including by reason of such person(s) having been refused entry to or ejected from a General Meeting in accordance with Article 58.5) shall not invalidate the proceedings of that meeting.

- 48.7. If it appears to the chairman of the General Meeting that the facilities at the principal meeting place or any satellite meeting place or any electronic facility have become inadequate for the purposes referred to in this Article 48, then the chairman of the meeting may, without the consent of the meeting, interrupt or adjourn the General Meeting. All business conducted at that General Meeting up to the time of such adjournment shall be valid. The provisions of Article 55 shall apply to any such adjournment.

NOTICE OF GENERAL MEETINGS

49. Length of notice for General Meetings

A General Meeting shall be called by 21 clear days' notice in writing at the least or such notice as may be required by law from time to time. The notice shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these Articles entitled to receive such notices from the Company.

50. Contents of notice of General Meetings

- 50.1. Every notice calling a General Meeting shall include such statements as are required by the Statutes and shall in any event specify the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- 50.2. The notice shall specify the general nature of the business to be transacted at the meeting, and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect and the text of any Special Resolution.
- 50.3. In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 50.4. If the Directors determine that a General Meeting shall be held (wholly or partly) at a physical place or places, the notice shall specify the place or places (and any satellite meeting place determined in accordance with Article 48.1).
- 50.5. If the Directors determine that a General Meeting shall be held partly by means of an electronic facility or facilities, the notice shall specify the means, or all different means, of attendance and participation determined in accordance with Article 48.2 and any access, identification and security arrangements determined in accordance with Article 58.

POSTPONEMENT OF GENERAL MEETINGS

51. If, after the sending of the notice of General Meeting but before the meeting is held, or after the adjournment of a General Meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold the meeting on the date or at the time or at any place specified in the notice calling the General Meeting or by means of any electronic facility specified in the notice, they may postpone the General Meeting to another date and/or time and/or change the electronic facility and/or any place specified in the notice, including changing any such place or places to electronic facilities and vice versa. If such a decision is made, the Directors may then change any such place and/or electronic facility and/or postpone the date and/or time again if they consider that it is reasonable to do so. No new notice of the General Meeting need be sent but the Directors shall take reasonable steps to ensure that notice of the change of date, time, place of, and/or electronic facility for, the postponed meeting appears at the original time and at the original place, and/or on the original electronic facility. When a General Meeting is so postponed, notice of the date, time and the means of attendance and participation (including any place or places and/or electronic facility) at the postponed meeting shall be given in such manner as the Directors may, in their absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a General Meeting is postponed in accordance with this Article, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than 48 hours before the time appointed for holding the postponed meeting. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day. References to the "place" of a General Meeting in this Article shall mean the principal meeting place and/or any satellite meeting place to which Article 48.1 applies.

PROCEEDINGS AT GENERAL MEETINGS

52. Chairman

The Chairman of the Directors, failing whom a Deputy Chairman, shall preside as chairman at a General Meeting. If there is no such Chairman or Deputy Chairman, or if at any meeting neither is present within five minutes after the time appointed for holding the meeting, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the members present (in person or by proxy) and entitled to vote shall choose one of their number) to be chairman of the meeting.

53. Quorum

- 53.1. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the

meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

- 53.2. In calculating whether a quorum is present for the purposes of Article 53.1, if two or more persons are appointed as proxies for the same member or two or more persons are appointed as corporate representatives of the same corporate member, only one of such proxies or only one of such corporate representatives shall be counted.

54. **Lack of quorum**

If within 15 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such day (being not less than ten clear days after the original meeting) and such time and with such means of attendance and participation (including at such place or places and/or by means of such electronic facility) as the chairman of the meeting may determine. If at any such adjourned meeting a quorum is not present within 15 minutes of the time appointed for holding the meeting, the members present (if more than one) shall be a quorum.

55. **Adjournment**

- 55.1. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place. In addition, the chairman of the meeting may at any time, without the consent of the meeting, interrupt or adjourn the meeting (whether or not a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so (including where the members, proxies and corporate representatives wishing to attend cannot be conveniently accommodated in the place or places appointed for the meeting).
- 55.2. 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. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or *sine die*, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. Any meeting may be adjourned more than once.
- 55.3. All business conducted at a meeting up to the time of any adjournment shall, subject to Article 55.4, be valid.
- 55.4. The chairman of the meeting may specify that only the business conducted at a meeting up to a point in time which is earlier than the time of adjournment is valid if, in his opinion, to do so would be more appropriate.
- 55.5. References to the "place" of a meeting in this Article 55 shall mean any principal meeting place and/or any satellite meeting place and/or any

electronic facility and any adjournment pursuant to this Article 55 may, subject to the Statutes, be for such time and with such means of attendance and participation (including at such place or places and/or by means of such electronic facility or electronic facilities) as the chairman of the meeting (or, in default, the Directors) may in his (or their) absolute discretion determine, notwithstanding that by reason of the adjournment some members may be unable to attend and participate in the adjourned meeting.

56. Notice of adjourned meeting

Save as hereinbefore expressly provided and subject to the Statutes, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

57. Amendments to resolutions

If an amendment shall be proposed to any resolution under consideration, but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

58. Accommodation of members and security arrangements

58.1. The Directors may, for the purposes of controlling the level of attendance and ensuring the safety of those attending and participating at any physical place specified for the holding of a General Meeting, ensuring the security of the meeting and ensuring the future orderly conduct of the meeting, from time to time make such arrangements as the Directors shall in their absolute discretion consider to be appropriate and may from time to time vary any such arrangements in place or make new arrangements therefor. Any decision made in good faith under this Article shall be final and the entitlement of any member or proxy to attend and participate in a General Meeting at such place (or places, in the case of a meeting to which Article 48.1 applies) shall be subject to any such arrangements as may be for the time being approved by the Directors. The Directors may direct that any person wishing to attend any General Meeting held at a physical place should provide evidence of identity and submit to such searches or other security arrangements or restrictions (including restrictions on items of personal property which may be taken into the meeting) as the Directors shall consider appropriate in the circumstances. The Directors shall be entitled in their absolute discretion to authorise one or more persons (including the Directors, the Secretary or the chairman of the meeting) to refuse entry to, or eject from, any meeting any person who fails to comply with such arrangements or restrictions as are required pursuant to this Article or who, in the opinion of the chairman of the meeting, causes the meeting to become disorderly.

58.2. The Directors may make arrangements for persons entitled to attend a General Meeting or an adjourned General Meeting to be able to hear the proceedings of the General Meeting or adjourned General Meeting and to

speak at the General Meeting (whether by use of microphones, loudspeakers, audio-visual communications equipment or otherwise) by attending at a venue anywhere in the world not being a satellite meeting place. Those attending at any such venue shall not be regarded as present at the General Meeting or adjourned General Meeting and shall not be entitled to vote at the General Meeting at or from that venue.

- 58.3. The inability for any reason of any member present in person or by proxy at such a venue to view or hear all or any of the proceedings of the General Meeting or to speak at the General Meeting shall not in any way affect the validity of the proceedings of the General Meeting.
- 58.4. If a General Meeting is held wholly or partly by means of an electronic facility, the Directors and/or the chairman of the meeting may make any arrangement and impose any requirement or restriction that is, in the opinion of the Directors and/or the chairman of the meeting, necessary to ensure the identification of those taking part by way of such electronic facility and the security of the electronic communication and proportionate to those objectives. In this respect, the Directors may authorise any voting application, system or facility for attendance and participation as they see fit.
- 58.5. The Directors shall be entitled in their absolute discretion to authorise one or more persons (including the Directors, the Secretary or the chairman of the meeting) to refuse electronic entry to, or eject electronically from, any meeting any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions as are required pursuant to this Article, or who, in the opinion of the chairman of the meeting, causes the meeting to become disorderly.

POLLS

59. Demand for poll

- 59.1. A resolution put to the vote at a General Meeting held wholly or partly by means of an electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Directors, in their sole discretion, deem appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. At any General Meeting held wholly at a physical place or places, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by:

59.1.1. the chairman of the meeting; or

59.1.2. not less than three members present in person or by proxy and entitled to vote on the resolution; or

59.1.3. a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights

attached to shares in the Company which are held as treasury shares);
or

59.1.4. a member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).

59.2. A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the meeting. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

60. Procedure on a poll

A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll (which "place" shall, in the case of a meeting to be held at principal meeting place and one or more satellite meeting places, mean the "places" at which the result of the poll will be declared, and which place or places may include electronic facilities).

61. Voting on a poll

On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

62. Timing of poll

A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and by such means of attendance and participation (including by means of such electronic facility and/or at such physical place or places) as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

63. Votes attaching to shares

Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is

present in person or by proxy shall have one vote for every share of which he is the holder.

64. Votes of joint holders

In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share.

65. Restriction on voting in particular circumstances

65.1. No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

65.2. If any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under Section 793 of the Act and is in default for a period of 14 days in supplying to the Company the information thereby required, then (unless the Directors otherwise determine) in respect of:

65.2.1. the shares comprising the shareholding account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "default shares", which expression shall include any further shares which are issued in respect of such shares); and

65.2.2. any other shares held by the member,

the member shall not, (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred other than pursuant to an approved transfer or pursuant to paragraph 65.3.2 below, be entitled to attend or vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings.

65.3. Where the default shares represent 0.25 per cent or more of the issued shares of the class in question, the Directors may in their absolute discretion by notice (a "direction notice") to such member direct that:

65.3.1. any dividend or part thereof or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the member and the member shall not be entitled to elect to receive shares in lieu of dividend; and/or

65.3.2. no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer; or

- (i) the member is not himself in default as regards supplying the information required; and
- (ii) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares.

Upon the giving of a direction notice its terms shall apply accordingly.

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

65.4.1. Save as herein provided any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect thereafter upon the Directors so determining (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member).

65.4.2. Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with paragraph 65.3.2 above.

65.5. For the purposes of this Article:

65.5.1. a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under the said Section 793 and either (a) the member has named such person as being so interested or (b) (after taking into account the response of the member to the said 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 shares; and

65.5.2. a transfer of shares is an approved transfer if:

- (i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (as defined in Section 974 of the Act); or
- (ii) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any person appearing to be interested in such shares including any such sale made through the London Stock Exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded. For the purposes of this sub-paragraph any associate (as that term is defined in Section 435 of the Insolvency Act 1986) shall be included

amongst the persons who are connected with the member or any person appearing to be interested in such shares.

65.6. The provisions of this Article are in addition and without prejudice to the provisions of the Statutes.

66. Voting by guardian

Where in England or elsewhere a guardian, receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may (subject to the Statutes) in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such guardian, receiver or other person on behalf of such member to vote in person or by proxy at any shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings.

67. Validity and result of vote

67.1. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

67.2. Unless a poll is taken a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

PROXIES

68. Proxy need not be a member

A proxy need not be a member of the Company.

69. Form of proxy

An instrument appointing a proxy or proxies shall, subject to the provisions of the Statutes, be in writing or in any other form which the Directors may approve and:

- 69.1. in the case of an individual shall be authenticated by the appointor or his attorney; and
- 69.2. in the case of a corporation shall be either given under its common seal or authenticated on its behalf by an attorney or a duly authorised officer of the corporation.

The authentication of an instrument need not be witnessed. Where an instrument appointing a proxy or proxies is authenticated on behalf of the appointor by an

attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.

70. Deposit of form of proxy

70.1. An instrument in writing (including, whether or not the appointment of a proxy or proxies is in election form, any such power of attorney or other authority) appointing a proxy or proxies must be left at such place or one of such places, or, in the case of an appointment in electronic form, received at the address specified (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Transfer Office):

- (a) in the case of a meeting or adjourned meeting, at least 48 hours before the commencement of the meeting or adjourned meeting;
- (b) in the case of a poll taken more than 48 hours after it was demanded, at least 24 hours before the taking of the poll; or
- (c) in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, at the meeting at which the poll was demanded.

70.2. When calculating the 48 hour period mentioned in this Article, the Board can decide not to take account of any part of a day that is not a working day.

70.3. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

71. Rights of proxy

An instrument appointing a proxy or proxies shall be deemed to include the right to demand or join in demanding a poll.

72. Revocation of proxy

A vote cast or demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of such death, insanity or revocation shall have been received by the Company at the Transfer Office, or at such other place as is referred to in Article 70, at least 48 hours before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast. When calculating the 48 hour period mentioned in this Article, the Board can decide not to take account of any part of a day that is not a working day.

CORPORATIONS ACTING BY REPRESENTATIVES

73. Corporations acting by representatives

- 73.1. Any corporation (whether or not a company within the meaning of the Statutes) which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative at any shareholders' meeting. The person or persons so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- 73.2. A vote given by a proxy or by a corporate representative shall be valid notwithstanding that the proxy or corporate representative has failed to vote in accordance with the instructions of the member by whom the proxy or corporate representative was appointed and the Company shall be under no obligation to check any vote so given is in accordance with any such instructions.
- 73.3. Any objection to the qualification of any person voting at a General Meeting or to the counting of, or failure to count, any vote must be made at the meeting or at the time any poll is taken (if not taken at the meeting or adjourned meeting) at which the vote objected to is tendered. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive. If a vote is not disallowed by the Chairman it is valid for all purposes.
- 73.4. The Company may require reasonable evidence of the identity of any proxy appointed by a member and of the member himself.
- 73.5. Where the appointment of a proxy is expressed to have been or purports to have been executed by a duly authorised person or on behalf of a member:
- 73.5.1. the Company may treat the appointment as sufficient evidence of that person's authority to execute the appointment of proxy on behalf of that member; and
- 73.5.2. the member shall, if requested by or on behalf of the Company, send or procure the sending of any authority under which the appointment of proxy has been executed, or a certified copy of any such authority, to such address and by such time as is required for the submission of appointments of proxy under Article 70 and, if the request is not complied with in any respect, the appointment of proxy may be treated as invalid.

DIRECTORS

74. Number of Directors

Subject as hereinafter provided the Directors shall not be less than three nor more than nine in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors.

75. Share qualification

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

76. Directors' fees

Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the total fees paid to the Directors (excluding amounts payable under any other provision of these Articles) shall not exceed £300,000 per financial year of the Company or such higher amount as may from time to time be decided by Ordinary Resolution of the Company.

77. Other remuneration of Directors

Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

78. Directors' expenses

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or shareholders' meetings or otherwise in connection with the business of the Company.

79. Directors' pensions and other benefits

The Directors shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

80. Appointment of executive Directors

80.1. The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

- 80.2. The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine 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.
- 80.3. The appointment of any Director to any other executive office shall automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

81. Powers of executive Directors

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

APPOINTMENT AND RETIREMENT OF DIRECTORS

82. Retirement by rotation

At each Annual General Meeting all those Directors who were elected or last re-elected at or before the Annual General Meeting held in the third calendar year before the current year shall retire from office by rotation.

83. Re-election of retiring Director

The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for election. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:

- 83.1. where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- 83.2. where such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
- 83.3. where the default is due to the moving of a resolution in contravention of the next following Article.

84. Election of two or more Directors

A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void.

85. **Nomination of Director for election**

No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any General Meeting unless not less than seven nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

86. **Election or appointment of additional Director**

The Company may by Ordinary Resolution elect, and without prejudice thereto the Directors shall have power at any time to 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 thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

87. **Vacation of office**

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

- 87.1. if he shall become prohibited by law from acting as a Director:
- 87.2. if (not being an Executive Director holding office as such for a fixed term) he shall resign by writing left at the Office, or if in electronic form, sent to such address as has been specified by the Company for the purpose of receiving documents in electronic form, or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
- 87.3. if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- 87.4. by reason of his mental health a court makes an order which wholly or partly prevents him from personally exercising any powers or rights he would otherwise have;
- 87.5. he is being treated by a registered medical practitioner who gives a written opinion to the Company stating that the Director has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 87.6. if he shall be absent from meetings of the Directors for six months without leave and the Directors shall resolve that his office be vacated; or

- 87.7. if a notice in writing is served upon him, signed by all his co-Directors for the time being, to the effect that his office as Director shall on receipt of such notice *ipso facto* be vacated, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

88. **Removal of Director**

The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution, of which special notice has been given, remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and elect another person in place of a Director so removed from office and any person so elected shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is elected was last elected a Director. In default of such election the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

MEETINGS AND PROCEEDINGS OF DIRECTORS

89. **Convening of meetings of Directors**

- 89.1. Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. At any time any Director may, and the Secretary at the request of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom unless that Director has requested the Board in writing that notices of meetings of Directors shall during his absence be given to him at any address in the United Kingdom given by him to the Company for this purpose or, in the case of notices in electronic form, any address given by him to the Company for that purpose, but such notices need not be given any earlier than given to Directors not so absent. Any Director may waive notice of any meeting and any such waiver may be retroactive.
- 89.2. Where any Director is absent from the United Kingdom but is represented by an Alternate Director, due notice of a meeting of the Directors shall be given to said Alternate Director, unless that Alternate Director is absent from the United Kingdom and has not requested the Board in writing that notices of Meetings of Directors shall during his absence be given to him at any address in the United Kingdom given by him to the Company for this purpose or in the case of notices in electronic form, any address given by the Alternate Director to the Company for that purpose, but such notices need not be given any earlier than given to Directors not so absent.
- 89.3. The Directors, and any committee of the Directors, shall be deemed to meet together if, being in separate locations, they are nonetheless linked by conference telephone or other communication equipment which allows those

participating to hear and speak to each other, and a quorum in that event shall be two persons so linked. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

90. **Quorum**

The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

91. **Chairman**

91.1. The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

91.2. If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

92. **Casting vote**

Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

93. **Number of Directors below minimum**

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

94. **Written resolutions**

A resolution in writing authenticated by all the Directors for the time being in the United Kingdom and entitled to vote thereon shall be as valid and effectual as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each authenticated by one or more Directors.

95. **Validity of proceedings**

All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a Director or as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee or sub-committee and had been entitled to vote.

DIRECTORS' INTERESTS

96. Directors interests

96.1. For the purpose only of Articles **Error! Reference source not found.** 96.14 below:

- (a) a conflict of interest includes a conflict of interest (without limitation) and duty and a conflict of duties;
- (b) an interest means a direct or an indirect interest (including, without limitation, an interest of a connected person as defined in the Act) and interested shall be construed accordingly;
- (c) an interest of a person connected with a Director (within the meaning of section 252 of the Act) shall be treated as an interest of that Director;
- (d) in relation to an alternate Director an interest of his appointer shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise;
- (e) an interest, transaction or arrangement of which a Director is aware includes an interest, transaction or arrangement of which that Director ought reasonably to be aware;
- (f) a transaction or arrangement includes a proposed transaction or arrangement; and
- (g) there shall be disregarded any shares held by the Director as bare custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his interest is in reversion or remainder if and so long as some other person is entitled to received the income of the trust and any shares comprised in an authorised unit trust scheme in which he interested only as a unit holder.

96.2.

- (a) For the purpose of section 175 of the Act, the Board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach of duty by a Director under the section, including, without limitation, any matter which relates to a situation (a "relevant situation") in which a Director has, or

can have, an interest which conflicts, or possibly may conflict, with the interest of the Company.

- (b) Any such authorisation will be effective only if:
 - (i) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
 - (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- (c) Where authorisation is given under Article **Error! Reference source not found.**(b):
 - (i) the Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes otherwise it shall be given to the fullest extent permitted; and
 - (ii) the Board may vary or terminate any such authorisation at any time.
- (d) Provided that Article 96.3 is complied with, a Director, notwithstanding his office:
 - (i) may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (ii) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange, either in addition to or in lieu of any remuneration provided for by any other Article; and
 - (iii) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment.
- (e) Provided the acceptance, entry into or existence of it has been approved by the Board under Article **Error! Reference source not found.**(a) or it comes within Article **Error! Reference source not found.**(d), a Director, notwithstanding his office, shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction or arrangement or from any interest in any body corporate, no such

transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty under section 176 of the Act.

- (f) Shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate, no such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty under the Companies Acts or under the law not to accept benefits from third parties.

96.3. Subject to Article 96.4, a Director shall declare the nature and extent of any interest permitted under this Article at a meeting of the Directors, or, in the case of a transaction or arrangement with the Company, in the manner set out in the Statutes.

96.4. A Director need not declare an interest in the case of a transaction or arrangement with the Company:

- (a) if, or to the extent that, the other Directors are already aware of the interest (and for this purpose the other Directors will be treated as aware of anything of which they ought reasonably to be aware); or
- (b) if, or to the extent that, it concerns the terms of his service contract (as defined in section 227 of the Act) that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles.

96.5. Subject to Article 96.6, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he has a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article applies only if the existence of that relationship has been approved by the Board pursuant to Article **Error! Reference source not found.**(a). In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails:

- (a) to disclose any such information to the Board or to any Director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a Director of the Company.

96.6. To the extent that the relationship between a Director and a person to whom he owes a duty of confidentiality gives rise to a conflict of interest or possible conflict of interest, Article 96.5 applies only if the existence of that

relationship has been authorised by the Board pursuant to this Article or if Article **Error! Reference source not found.**(e) applies to the relationship.

96.7. Where the existence of a Director's relationship with another person has been approved by the Board pursuant to Article **Error! Reference source not found.**(a) (and subject to any limits or conditions imposed pursuant to Article **Error! Reference source not found.**(c)(i) or Article **Error! Reference source not found.**(e) applies to the relationship) and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171-177 of the Act because he:

- (a) absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise: and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

96.8. The provisions of Articles 96.5 and 96.7 are without prejudice to any equitable principle or rule of law which may excuse the Director from

- (a) disclosing information in circumstances, where disclosure would otherwise be required under these articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 96.7, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

96.9.

- (a) A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any arrangement or transaction in which he has an interest which may reasonably be regarded as likely to give rise to a conflict of interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply if Article **Error! Reference source not found.**(b) applies.
- (b) Provided that the matter has been authorised pursuant to Article **Error! Reference source not found.**(a) or comes within **Error! Reference source not found.**(e), the Director may vote (and be counted in the quorum) in respect of any resolution concerning one or more of the following matters:

- (i) any transaction or arrangement in which he is interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
- (ii) the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (iii) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (iv) the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
- (v) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub- underwriting of which he is to participate;
- (vi) any proposal concerning any other body corporate in which he does not to his knowledge have an interest (as the term is used in Part 22 of the Act) in one per cent. or more of the issued equity share capital of any class of such body corporate (calculated exclusive of any shares of that class in that company held as treasury shares) nor to his knowledge hold one per cent. or more of the voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (within the meaning of Chapter 5 of the DTRs) in such body corporate;
- (vii) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (viii) any proposal concerning the adoption modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by HM Revenue and Customs for taxation purposes;
- (ix) any proposal concerning the adoption, modification or operation of an employee's share scheme (within the meaning of section 1166 of the Act) under which he may benefit and which has been approved by HM Revenue and Customs for taxation purposes which relates both to Directors and

employees and does not accord to any Director as such any privilege of advantage not generally accorded to the employees to whom such scheme relates;

- (x) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
- (xi) any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure; or
- (xii) any transaction or arrangement in respect of which his interest or the interest of Directors generally, has been authorised by Ordinary Resolution.

96.10. A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

96.11. Subject to these Articles, the Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit (including the exercise of voting rights in favour of any resolution appointing the Directors or any of them as directors or officers of the other company or in favour of the payment of remuneration to the directors or officers of the other company), and a Director may vote on and be counted in the quorum in relation to any of these matters.

96.12. If any question arises at any meeting as to whether an interest of a Director (other than the Chairman's interest) shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (so far as it is known to him) has not been fairly disclosed to the Board.

- 96.13. If any question arises at any meeting as to whether an interest of the Chairman shall reasonably be regarded as likely to give rise to a conflict of interest or as to the entitlement of the Chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the Board.
- 96.14. Subject to the provisions of the Statutes, the Company may by ordinary resolution suspend or relax the provisions of Articles 96.1 to 96.13, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of these Articles.

COMMITTEES OF THE DIRECTORS

97. Appointment and constitution of committees

The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees. Any such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretions delegated to it. Any such committee or sub-committee shall consist of one or more Directors and (if thought fit) one or more other named persons or persons to be co-opted as hereinafter provided. Insofar as any such power or discretion is delegated to a committee or sub-committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee or sub-committee. Any committee or sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee or sub-committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committee or sub-committee.

98. Proceedings of committee meetings

The meetings and proceedings of any such committee or sub-committee consisting of two or more persons shall be governed *mutatis mutandis* by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same, are not superseded by any regulations made by the Directors under the last preceding Article.

POWERS OF DIRECTORS

99. General powers

Subject to the provisions of the Statutes, these Articles and to any directions given by Special Resolution of the Company, the business and affairs of the Company shall be

managed by the Directors, who may exercise all such powers of the Company as are determined by the Statutes or by these Articles required to be exercised by the Company in General Meeting but no regulation so made by the Company shall invalidate any act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article 99 shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

100. Local boards

The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may amount or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

101. Appointment of attorney

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

102. President

The Directors may from time to time elect a President of the Company and may determine the period for which he shall hold office. Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit, and need not be a Director but shall, if not a Director, be entitled to receive notice of and attend and speak, but not to vote, at all meetings of the Board of Directors.

103. Signature on cheques etc.

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

BORROWING POWERS

104. Borrowing powers

- 104.1. Subject as hereinafter provided and to the provisions of the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property (present and future) and uncalled capital or any part or parts thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 104.2. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiary undertakings for the time being) and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the Adjusted Capital and Reserves.
- 104.3. For the purpose of the foregoing limit the following provisions shall apply:
- 104.3.1. there shall be deemed, subject as hereinafter provided, to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):
- (i) the principal amount of all debentures allotted or issued (whether or not for cash) of any member of the Group which are not for the time being beneficially owned within the Group;
 - (ii) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
 - (iii) the nominal amount of any allotted or issued and paid up share capital (other than equity share capital) of any subsidiary undertaking which is a body corporate of the Company not for the time being beneficially owned by other members of the Group;
 - (iv) the nominal amount of any other allotted or issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned

within the Group) the redemption or repayment whereof is guaranteed (or is the subject of an indemnity granted) or wholly or partly secured by any member of the Group or which any member of the Group may be required to purchase; and

- (v) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account;

104.3.2. moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof pending the application for such purpose shall not during such period, except to the extent so applied, themselves be taken into account;

104.3.3. any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be borrowed moneys;

104.3.4. moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion, for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company; and

104.3.5. borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be translated into sterling by reference to the rate of exchange used for the conversion of such currency in the latest audited balance sheet of the relevant member of the Group or, if the relevant currency was not thereby involved, by reference to the rate of exchange or approximate rate of exchange ruling on such date and determined on such basis as the Auditors may determine or approve.

104.4. No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

ALTERNATE DIRECTORS

105. Alternate Directors

- 105.1. Any Director may at any time by writing and deposited at the Office or, if in electronic form, sent to such address as has been specified by the Company for the purpose of receiving documents in electronic form, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors or unless the appointee is another Director, shall have effect only upon and subject to being so approved.
- 105.2. The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director, otherwise than by retirement at a General Meeting at which he is re-elected.
- 105.3. An alternate Director shall, subject to Article 89.2, be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature, or any other method of authentication, to any resolution in writing of the Directors shall be as effective as the signature, or any other method of authentication, of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor.
- 105.4. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

SECRETARY

106. Secretary

The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Deputy and/or Assistant Secretaries.

THE SEAL

107. The Seal

- 107.1. The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf. The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued.
- 107.2. Every instrument to which the Seal or the Securities Seal shall be affixed (other than a certificate for or evidencing shares, debentures or other securities (including options) issued by the Company) shall be authenticated by one Director and the Secretary or by two Directors.
- 107.3. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.
- 107.4. Any instrument authenticated by: (i) one Director and the Secretary; (ii) two Directors; (iii) one Director in the presence of a witness who attests his signature; or (iv) such other persons as the Board or a committee of the Board shall appoint for that purpose (and, if the Secretary is a limited company, such company may nominate any person to act on its behalf) and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so authenticated without the authority of the Directors or of a committee authorised by the Directors in that behalf.

AUTHENTICATION OF DOCUMENTS

108. Authentication of documents

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a shareholders' meeting or at a meeting of the Directors or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall

be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

RESERVES

109. Establishment of reserves

The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

110. The Capital Reserve

The Directors shall establish a reserve to be called "the Capital Reserve". All capital profits or appreciations arising from the sale, realisation, transposition, repayment or revaluation of investments or other capital assets of the Company in excess of the book value thereof shall be credited to the Capital Reserve or applied in providing for depreciation or contingencies. Any loss realised on the sale, realisation, transposition, repayment or revaluation of any investments or other capital assets, and any other sums incurred in connection with the management of the assets of the Company which, in the opinion of the Directors, are reasonably and fairly apportioned to capital, may be carried to the debit of the Capital Reserve except so far as the Directors may in their discretion decide to make good the same out of the other funds of the Company. All sums carried and standing to the credit of the Capital Reserve may be applied for any of the purposes to which sums standing to any revenue reserve are applicable. The Directors may determine whether any amount received by the Company is to be dealt with as income or capital or partly in one way and partly in the other.

111. Business bought as from past date

Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be earned to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

DIVIDENDS

112. Final dividends

The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

113. Fixed and interim dividends

If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit. Provided the Directors act in good faith they shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment, on any other class of shares having rights ranking after or *pari passu* with those shares, of any such fixed or interim dividend as aforesaid.

114. Distribution in specie

The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees as may seem expedient to the Directors.

115. Ranking of shares for dividend

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

116. Manner of payment of dividends

116.1. Any dividend or other moneys payable on or in respect of a share shall be paid to the member or to such other person as the member (or, in the case of joint holders of a share, all of them) may in writing direct. Such dividend or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) by such other method of payment as the member (or in the case of joint holders of a share, all of them) may agree to. Payment of a cheque by the banker upon whom it is drawn shall be a good discharge to the Company and every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby.

116.2. Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Directors may determine using such conversion rate for currency conversions as the Directors may select.

116.3. The Company may cease to send any cheque, warrant or order by post for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed but, subject to the provisions of these Articles, shall recommence sending cheques, warrants or orders in respect of the dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

117. **Joint holders**

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

118. **Record date for dividends**

Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights in respect of such dividend of transferors and transferees of any such shares.

119. **No interest on dividends**

No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

120. **Retention of dividends**

120.1. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that share.

120.2. The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

121. Unclaimed dividend

The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of 12 years from the date on which such dividend was declared or became due for payment shall be forfeited and shall revert to the Company.

122. Waiver of dividend

The waiver in whole or in part of any dividend on any share by any document (whether or not executed as a deed) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

CAPITALISATION OF PROFITS AND RESERVES**123. Power to capitalise reserves and revenue account**

The Company may, upon the recommendation of the Board, at any time and from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve (including any share premium account, capital redemption reserve, merger reserve or special reserve arising on the cancellation or reduction of share premium account) or the profit and loss account whether or not the same is available for distribution and accordingly that the amount to be capitalised be set free for distribution among the members or any class of members who would be entitled to it if it were distributed by way of dividend and in the same proportions, on the footing that it is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by those members respectively or in paying up in full unissued shares, debentures or other obligations of the Company to be allotted and distributed credited as fully paid up among those members, or partly in one way and partly in the other, but so that, for the purposes of this Article, a share premium account and a capital redemption reserve, merger reserve and any reserve or account representing unrealised profits, may be applied only in paying up in full unissued shares of the Company. The Board may authorise any person to enter into an agreement with the Company on behalf of the persons entitled to participate in the distribution providing for the allotment to them respectively of any shares, debentures or other obligations of the Company to which they are entitled on the capitalisation and the agreement shall be binding on those persons.

124. Settlement of difficulties in distribution

Where any difficulty arises in regard to any distribution of any capitalised reserve or account the Board may settle the matter as it thinks expedient and in particular may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Board.

ACCOUNTS**125. Accounting records**

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

126. Copies of accounts for members

A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than 21 days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to any member to whom a summary financial statement is sent in accordance with the Statutes nor to more than one of joint holders nor to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

AUDITORS**127. Validity of Auditor's acts**

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

128. Auditor's right to attend General Meetings

An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is

entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

129. Service of notices

- 129.1. Any notice, document (including a share certificate) or information may be served on or delivered to any member by the Company either personally or by sending it by post in a pre-paid cover addressed to such member at his registered address or subject to and in accordance with the Statutes, by sending it in electronic form to an address for the time being notified by the member to the Company or by making it available on a website, or if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.
- 129.2. Subject to the Statutes any notice, document or information is validly sent or supplied by the Company if it is made available on a website.
- 129.3. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of 24 hours (or, where second-class mail is employed, 48 hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- 129.4. Where a notice or other document is sent using electronic means, service or delivery shall be deemed to be effected on the day it was first sent or, if the day it is sent is not a working day, on the next working day and in proving such service or delivery it shall be sufficient to prove that the address used for the electronic communication was correct and that the electronic communication was properly dispatched by the Company, unless the Company is aware that there has been a failure of delivery of such notice or document following at least two attempts, in which case such notice or document shall be sent to the member at his registered address or address for service in the United Kingdom within 48 hours of the original electronic communication.
- 129.5. The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

130. Joint holders

Any notice given to that one of the joint holders of a share whose name stands first in the Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. Anything agreed or specified by the first named joint holder in relation to documents or information sent to him in respect of any joint holding shall

be binding on both joint holders. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

131. Deceased and bankrupt members

A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, or in accordance with the Statutes an addresses for service of notices by electronic means, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member or sent to any address supplied to the Company for the purpose of service by electronic means in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

132. Overseas members

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices or an address for the service of notices by electronic means shall not be entitled to receive notices from the Company.

133. Suspension of postal services

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 shareholders' meeting by notices sent through the post, such meeting may be convened by a notice advertised on the same date in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

134. Statutory requirements as to notices

Nothing in any of the preceding five Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

WINDING UP

135. Directors' power to petition

The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

136. Distribution of assets in specie

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

DOCUMENTS

137. Destruction of documents

The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:

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

INDEMNITY

138. Indemnity

- 138.1. Subject to the provisions of and so far as may be consistent with the Statutes, every Director, Secretary or other officer of the Company (except the Auditors) shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/ or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.
- 138.2. Without prejudice to paragraph 138.1 of this Article the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of any Relevant Company (as defined in paragraph 138.3 of this Article) (excluding the Auditors) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- 138.3. For the purpose of paragraph 138.2 of this Article "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

139. Net Asset Value

The net asset value per share shall be calculated at least annually and disclosed to members from time to time in such manner as may be determined by the Board.

140. Information made available to members

- (A) Investor Disclosures shall be made available to members and prospective members in such manner as may be determined by the

Board from time to time (including without limitation, and where so determined, by posting some or all of the Investor Disclosures on the Company's website or by electronic notice).

- (B) For the purposes of Article 140(A) the term "Investor Disclosures" means solely the information required to be made available to members and prospective members pursuant to FUND Rules in the FCA Handbook as amended or replaced from time to time.

141. **Valuation**

Without prejudice to any other provision of these Articles, valuation of the Company's assets shall be performed in accordance with prevailing accounting standards.

142. **Accounts**

The Directors may elect to prepare the annual report and accounts in accordance with generally acceptable accounting principles in the United Kingdom or such other international accounting standards as may be permitted under the laws of United Kingdom from time to time.

US AND TAX MATTERS

143. **Reporting co-operation**

- 143.1. Each holder of shares shall co-operate with the Company in ensuring that the Company is able to comply with its obligations under the International Tax Compliance Regulations 2015 (as amended or replaced from time to time), all official guidance and any other relevant obligations with which the Company is bound to comply in relation to any international tax compliance regime (together for the purpose of this Article 143 the "Regulations").

- 143.2. Without limiting the generality of Article 143.1 above, each holder of shares:

143.2.1. must provide the Company with any information, forms and documentation requested by the Company from time to time for the purposes of allowing the Company to consider any relevant issues arising under the Regulations and to comply with its obligations under the Regulations;

143.2.2. consents to allowing, and authorises, the Company to disclose and supply any information, forms or documentation in relation to it to HM Revenue and Customs (or their authorised representative) and, where the shareholder is not the beneficial owner of the shares, the shareholder shall procure that the beneficial owner of the shares provides such consent and authorisation to the Company in respect of any such information, forms or documentation relating to it;

143.2.3. must notify the Company of any material changes which affect the shareholder's status (and to the extent relevant, the status of the beneficial owner of the shares) under the Regulations or which result

in any information, forms or documentation previously provided to the Company (pursuant to Article 143.2.1 above) becoming inaccurate or incomplete within the earlier of 90 days of becoming aware of such changes and any other timeline provided under the Regulations for such event; and

143.2.4. must, to the extent there have been material changes as described in Article 143.2.3 above, promptly provide the Company with updated information, forms or documentation, as applicable.

144. **US and other tax matters**

144.1. In addition to the right of the Board to serve a notice under Section 793 of the Act, the Board may at any time and from time to time serve notice on any member requiring that member to promptly provide the Company with any information, representations, certificates, waivers or forms ("**Information**") relating to such member (and its direct or indirect owners or account holders or the persons beneficially interested, directly or indirectly in the shares held by such member) that the Board determines from time to time is necessary or appropriate for the Company to have in order to:

- (a) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under or in relation to FATCA or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction ("**Similar Laws**"); or
- (b) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such member by the Company); or
- (c) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in Section 1471(b) of the US Tax Code or under Similar Laws.

144.2. The Company and its agents shall be entitled to hold and process the Information for the purposes of carrying out the business of the Company and the administration and protection of its interests, including without limitation for the purposes set out in Article 144.1 above.

144.3. If any member is in default of supplying the Information to the Company within the period set out in the notice referred to in Article 144.1 (which shall not be less than ten days after the service of the notice), the Board may by notice to such member declare him to be a Non-Qualified Holder for the purposes of these Articles, including without limitation, Articles 144.6 and 144.7 below, and declare that the shares which in the opinion of the Board are held by such member shall be regarded as Prohibited Shares.

144.4. The Directors may at any time, and from time to time, give written notice to any member requiring him to make a declaration as to whether or not any share held by such person is a Prohibited Share. If at any time the holding or beneficial ownership of any shares in the Company by any person (whether

on its own or taken with other shares), in the opinion of the Board, would or might give rise to an Onerous Obligation, then the Board may by written notice to the holder of such shares declare such holder to be a Non-Qualified Holder and declare that the shares which are held by such holder shall be regarded as Prohibited Shares.

144.5. The Board may at any time, and from time to time, give written notice to any Non-Qualified Holder, requiring him either:

- (a) (in the case of a person who has been declared a Non-Qualified Holder under Article 144.4) to provide the Board within 21 days of service of such notice with sufficient satisfactory documentary evidence to satisfy the Board (in its discretion) that such person should not be regarded as a Non-Qualified Holder and that the shares held by such person should not be treated as Prohibited Shares; or, (in the case of a person who has been declared a Non-Qualified Holder under Article 144.3) to provide the Board within 21 days of service of such notice with the Information so as to satisfy the Board (in its discretion) that such person should not be regarded as a Non-Qualified Holder and that the shares held by such person should not be treated as Prohibited Shares; or
- (b) to sell or transfer his Prohibited Shares to a person who is not a Non-Qualified Holder within 21 days of service of such notice and within such 21 days to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such Prohibited Shares.

144.6. Where condition 144.5(a) or 144.5(b) above is not satisfied within 21 days (or such longer period as the Board may determine) after the serving of the notice, the person will be deemed, upon the expiration of such 21 days, to have forfeited his Prohibited Shares. If the Board in its absolute discretion so determines, the Company may dispose of the Prohibited Shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder. The provisions of Articles 26 and 27 shall apply mutatis mutandis to any such disposal.

144.7. Upon transfer of a share, the transferee of such share shall be deemed to have represented and warranted to the Company that he is: (i) not a Benefit Plan Investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as "plan assets" of any Benefit Plan Investor; and (ii) not a US Person, located in the United States or acquiring the shares for the account or benefit of a US Person.

DURATION

144.8. At the Company's Annual General Meeting in 2022, the Directors shall propose an Ordinary Resolution that the Company continues in existence as

an investment trust. If the resolution is passed at such Annual General Meeting then the Directors shall propose the same resolution at every third Annual General Meeting thereafter.

- 144.9. If a resolution proposed in accordance with Article 144.8 is not passed, then the Directors shall put forward proposals to shareholders to the effect that the Company be wound up, liquidated, reconstructed or reorganised.