

THE COMPANIES ACTS 1908 to 1917

AND

THE COMPANIES ACT 1985

AND

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

Articles of Association

of

**J SAINSBURY plc**

**(As adopted by Special Resolution passed on 2 July 2020)**

PRELIMINARY

**Model Articles  
and Table A  
not to apply**

1. Neither the regulations in The Companies (Model Articles) Regulations 2008 nor Table A in the Companies (Tables A to F) Regulations 1985 nor any other articles or regulations which may apply to companies under the Statutes or any former enactment relating to companies shall apply to the Company.

**Interpretation**

2. In these Articles, if not inconsistent with the subject or context: (1) words importing the singular number include the plural, and vice versa; (2) words importing the masculine gender include the feminine gender; (3) the words standing in the first column of the table below shall bear the meanings set opposite to them respectively in the second column thereof; and (4) words denoting persons shall include bodies corporate and unincorporated associations.

WORDS

MEANINGS

clear days

a period of notice of the specified length excluding the day of the meeting and the day on which the notice is given

combined physical  
and electronic general meeting

a meeting convened and held in accordance with these Articles and which allows participants to attend in person or via an electronic platform

the Companies Acts	shall have the meaning given thereto by Section 2 of the Companies Act 2006 but shall only extend to provisions which are in force at the relevant date
these Articles	these Articles of Association as herein contained or as from time to time altered
Company Communications Provisions	shall have the same meaning as in the Companies Acts
electronic form, electronic means and hard copy form	shall have the same respective meanings as in the Company Communications Provisions
electronic platform	any form of electronic platform or facility and includes, without limitation, website addresses, application technology and conference call systems
FCA	the Financial Conduct Authority acting in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended
general meeting or meeting of the Company	any general meeting of the Company including any general meeting held as the Company's annual general meeting held in accordance with Section 336 of the Companies Act and whether held as a physical general meeting or as a combined physical and electronic general meeting
The London Stock Exchange	the London Stock Exchange plc
Office	the registered office for the time being of the Company
Official List	the official list maintained by the FCA for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended
operator	Euroclear UK & Ireland Limited or such other person as may for the time being be approved by H.M. Treasury as operator of a relevant system under the Regulations
paid up	paid up or credited as paid up
physical general meeting	any general meeting attended by persons present in person at the location(s) specified in the notice of such general meeting
present	means: <ul style="list-style-type: none"> <li>(a) for the purposes of a physical general meeting, present in person or, for the purposes of a combined physical and electronic general meeting, present either in person or by attendance via an electronic platform; or</li> <li>(b) where used in connection with being present at a meeting of directors, to the extent permitted by the Companies Acts or other legislation and by the</li> </ul>

directors, being present through any form of voting pursuant to an electronic system

Register	the register of members of the Company
Regulations	the Uncertificated Securities Regulations 2001 and every statutory modification thereof for the time being in force and every other enactment which may from time to time be cited together therewith as the “Uncertificated Securities Regulations” of specified years
relevant system	a computer-based system which allows units of securities without written instruments to be transferred and endorsed pursuant to the Regulations
Seal	the common seal of the Company
Secretary	the secretary of the Company and (subject to the provisions of the Companies Acts) any assistant or deputy secretary, and any person appointed by the directors to perform any of the duties of the secretary
Statutes	the Companies Acts, the Regulations and every other enactment for the time being in force concerning companies and affecting the Company
the United Kingdom	the United Kingdom of Great Britain and Northern Ireland
in writing	written or produced by any substitute for writing (including anything in electronic form) or partly one and partly another.

Any reference to an auditor or auditors shall include a reference to two or more auditors appointed or to be appointed as joint auditors.

The expression “address” shall include any number or address (including, in the case of any Uncertificated Proxy Instruction permitted under Article 82(C) an identification number of a participant in the relevant system) used for the purposes of sending or receiving notices, documents or information by electronic means and/or by means of a website.

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).

References to a share (or to a holding of shares) being in certificated or uncertificated form are references, respectively, to that share being a certificated or an uncertificated unit of a security for the purposes of the Regulations.

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.

Except where the context otherwise requires, any reference to issued shares of any class (whether of the Company or of any other company) shall not include any shares of that class held as treasury shares.

Save as aforesaid, any words or expressions defined in the Companies Acts or the Regulations shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## BUSINESS

3. The Company having taken over the business of "J. Sainsbury" referred to in Section 4(A) of the Memorandum of Association, on terms agreed between the partners in "J. Sainsbury" and the Company, every member present and future of the Company shall be deemed to approve and confirm the purchase by the Company of the said business on the terms aforesaid notwithstanding that the partners in "J. Sainsbury" stood as directors and promoters in a fiduciary position to the Company.
4. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the directors at such time or times as they may think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the directors may deem it expedient not to commence or proceed with the same.

## CAPITAL

- |                                  |  |
|----------------------------------|--|
| <b>Ordinary Shares</b>           | 5. (A) The rights of the Ordinary Shares and the restrictions to which they are subject, shall be as follows:  |
| <b>Income</b>                    | (i) Subject to the rights attaching to any other share, the holders of the Ordinary Shares will be entitled to be paid any profits of the Company available for distribution and determined to be distributed.   |
| <b>Capital</b>                   | (ii) On a return of capital on a winding-up or otherwise (except on conversion or redemption in accordance with the terms of issue of any share, or purchase by the Company of any share or on a capitalisation issue) after paying such sums as may be due in priority to the holders of any other class of shares in the capital of the Company, any further such amount will be paid to holders of the Ordinary Shares pro rata according to the amounts paid up or credited as paid up in respect of each Ordinary Share.                                |
| <b>Voting</b>                    | (iii) The holders of Ordinary Shares will be entitled in respect of their holding of such shares to receive notice of any general meeting of the Company and to attend and vote at any such general meeting. At any such meeting, on a show of hands, every holder of Ordinary Shares present in person and every proxy present who has been duly appointed by a member entitled to vote on the resolution shall have one vote and every such holder present or by proxy shall upon a poll have one vote for every Ordinary Share of which he is the holder. |
| <b>Liability</b>                 | (B) The liability of each member is limited to the amount (if any) for the time being unpaid on the shares held by that member.  |
| <b>Rights attached to shares</b> | 6. (A) Without prejudice to any special rights for the time being conferred on the holders of any class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is  |

provided for by the next following Article), any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by ordinary resolution direct, or failing such direction (but in the case of unclassified shares only) as the directors shall determine.

- (B) The Company may issue any shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder and the directors may determine the terms, conditions and manner of redemption of any such shares.

## VARIATION OF RIGHTS

### **How share rights may be varied**

7. If at any time the capital of the Company is divided into different classes of the shares, the rights attached to any class may be varied or abrogated, whether or not the Company is being wound up, with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class, (in each case excluding any shares held as treasury shares) but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, so far as applicable and with the necessary modifications, 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 in question (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those holders who are present or by proxy shall be a quorum), and that the holders of shares of the class or a duly appointed proxy entitled to vote on the resolution shall, on a poll, have one vote in respect of every share of the class held by them respectively.

### **Creation or issue of further shares**

8. The rights conferred upon the holders of any class of shares issued with preferred or other special rights shall be deemed to be varied by the reduction of the capital paid up on such shares but shall not (unless otherwise expressly provided by these Articles or by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking in some or all respects *pari passu* therewith or subsequent thereto.

## SHARES

### **Purchase of own shares**

9. (A) Subject to Article 9(B) and 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).
- (B) If any securities are in issue which are admitted to the official list maintained by the FCA and which are convertible into, or

exchangeable for, or carry a right to subscribe for equity shares 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:

- (i) the terms of issue of such securities include provisions permitting the Company to purchase its own equity shares; or
- (ii) the purchase, or the contract, has first been approved by a special resolution passed at a separate meeting of the holders of such securities.

(C) For the purposes of this Article 9 “**securities**” shall have the same meaning as in Section 102A of the Financial Services and Markets Act 2000.

10. Deleted.

**Power to pay commissions**

11. In addition to all other powers of paying commissions, the Company may exercise the powers conferred by the Statutes in paying commissions to persons subscribing or procuring subscriptions for shares in the Company, or agreeing so to do, whether absolutely or conditionally; provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and shall not exceed the fullest extent permitted by the Statutes. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

**Exclusion of equities**

12. 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 (except only as by these Articles otherwise provided or as by law required) any interest in any fractional part of a share or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

**CERTIFICATES**

**Uncertificated Shares**

13. (A) Subject to the Articles and to the extent that the Companies Acts and the Regulations allow, the directors can decide that a class of shares can be:

- (i) held in uncertificated form and that titles to those shares can be transferred using a relevant system; or
- (ii) no longer held and transferred in uncertificated form.

The Articles do not apply to shares of a class which are held in uncertificated form to the extent that they are inconsistent with:

- (i) the holding of shares of that class in uncertificated form;

- (ii) the transfer of title to shares of that class using a relevant system; or
  - (iii) the Statutes.
- (AA) The directors have power to take such steps as they think fit in relation to:
- (i) any records relating to the holding of uncertificated shares;
  - (ii) the conversion of certificated shares into uncertificated shares; or
  - (iii) the conversion of uncertificated shares into certificated shares.

The Company may by notice to the holder of a share require that share:

- (i) if it is uncertificated, to be converted into certificated form; and
  - (ii) if it is certificated, to be converted into uncertificated form,
- to enable it to be dealt with in accordance with the Articles.
- (AB) The directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it. This may include converting such share to certificated form.
- (AC) Unless the directors resolve otherwise, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.
- (AD) A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

**Right to receive certificates**

- (B) Every person whose name is entered as a member in the register of members (except a member in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to one certificate for all his shares of each class, or (if he so requests) to several certificates, each for one or more of his shares. This Article 13(B) and Article 14 do not apply if the Companies Acts or other legislation allow the Company not to issue share certificates. Every certificate shall be issued within two months after allotment or the lodgement with the Company of the transfer of the shares, not being a transfer which the Company is for any reason entitled to refuse to register and does not register, unless the conditions of issue of such shares otherwise provide, and shall be under the Seal or an official seal kept under Section 5 of the Companies Act 2006 and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon. The

Company shall not register more than four persons as the joint holders of any share or shares and, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. Where a member (other than a member in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) transfers part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding without charge.

**Signature on certificate**

- (C) Any share certificate and any certificate of title relating to other forms of security issued by the Company which has been approved for sealing by the directors or a committee of the directors need not (save to the extent that the terms and conditions for the time being relating to any such security otherwise require) be signed or countersigned by any person. Subject as aforesaid any such certificate may, if the directors so determine, bear signatures affixed by some mechanical system or process or the names of the Company's issuing agents or, to the extent permitted by the Companies Acts or other legislation, be printed, in any way, with a copy or representation of those signatures or the Seal. To the extent permitted by the Companies Acts or other legislation, the representation can be made or produced mechanically, electronically or in any other way the directors approve.

**Replacement of share certificates**

14. (A) If a share certificate be defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and the payment of exceptional out-of-pocket expenses of the Company as the directors think fit, and (in case of defacement or wearing out) on delivery up of the old certificate.
- (B) Any two or more certificates representing shares of any one class held by any member may at his request and the delivery of the original certificates be cancelled and a single new certificate for such shares issued in lieu subject to the payment of such reasonable charge as the directors think fit and the delivery of the original certificates.
- (C) 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 and may request that the member pays such reasonable charge as the directors think fit.

**CALLS ON SHARES**

**Power to make calls**

15. The directors may, subject to the provisions of these Articles and to any conditions of allotment, from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and each



member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.

**Provisions relating to calls**

16. A call may be made payable by instalments. A call may be postponed and a call may be wholly or in part revoked as the directors may determine. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. The liability of each member is limited to the amount (if any) for the time being unpaid on the shares held by that member.

**Interest on calls**

17. 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 the rate of 10 per cent per annum or at such lower rate as the directors may agree to accept, but the directors shall be at liberty to waive payment of such interest wholly or in part.

**Sums due on allotment to be calls**

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

**Power to differentiate**

19. The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

**Payment in advance of calls**

20. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and any such payment in advance of calls shall extinguish, so far as the same shall extend but subject as in these Articles provided, the liability upon the shares in respect of which it is advanced; and upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member paying such sum and the directors agree.

## FORFEITURE, SURRENDER AND LIEN

### **Notice to comply with call**

21. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. The notice shall name a further day (not earlier than fourteen days from the date of service thereof) 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 at or before the time and at the place appointed the shares on which the call was made will be liable to be forfeited.

### **Power to forfeit or accept surrender**

22. 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 due in respect thereof has been made, be forfeited by a resolution of the directors to that effect, and such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture. The directors may accept a surrender of any shares liable to be forfeited hereunder.

### **Sale of shares forfeited or surrendered**

23. A share so forfeited or surrendered 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. 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 they think fit, authorise some person to transfer a forfeited or surrendered share to any other person as aforesaid.

### **Effect on member**

24. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered shares, but shall notwithstanding such 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, unless and to the extent that the directors resolve to waive interest, at 10 per cent per annum or at such lower rate as the directors may agree to accept from the date of forfeiture or surrender until payment, and the directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender.

### **Lien**

25. 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. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The directors may resolve that any share shall for some specified period be exempt from the provisions of this Article.

**Sale of shares  
subject to lien**

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

**Disposal of  
proceeds of sale**

27. The net proceeds of such sale, after payment of the costs thereof, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the directors may authorise some person to transfer the shares sold to the purchaser thereof.

**Title to shares  
surrendered,  
forfeited or sold**

28. 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 and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with (save where not required by law) the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

**Form of transfer**

29. All transfers of shares, which are in certificated form, shall be effected by transfer in writing in the usual common form or in any such other form as the directors may approve, and need not be under seal. Every transfer of uncertificated shares must be carried out using a relevant system. If a transfer is by a clearing house which has been authorised to carry on business by the UK authorities or its nominee or by an investment exchange which has been officially recognised by the UK authorities a share certificate is only needed if a certificate has been issued for the shares in question.

**Signing of  
transfers**

30. In respect of certified shares the instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall be deemed to

remain the holder of the share until the name of the transferee is entered on the register of members in respect thereof.

**Power to refuse registration (1)**

31. The directors may, in their absolute discretion, refuse to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve, and they may also refuse to register any transfer of shares on which the Company has a lien provided that such restrictions on transfer do not prevent dealings in partly paid or fully paid shares in the Company from taking place on an open and proper basis. The directors can refuse to register a transfer of uncertificated securities in the circumstances set out in the Regulations.

**Power to refuse registration (2)**

32. The directors may also decline to recognise any instrument of transfer, unless:
- (A) the instrument of transfer duly stamped is deposited at the Office or such other place as the directors may appoint, accompanied (save where not required by law) by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - (B) the instrument of transfer is in respect of only one class of share; and
  - (C) the instrument of transfer is in favour of not more than four transferees.

**Notice of refusal of registration**

33. If the directors refuse to register a transfer of any shares, they shall, as soon as practical and in any event within two months after the date on which the transfer was lodged with the Company or, in the case of uncertificated shares, after the date on which the Company received instructions from the operator of the relevant system, send to the transferee notice in writing of the refusal giving reasons for the refusal.
34. Deleted.

**No fee for registration**

35. No fee will be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the register of members affecting the title to any shares.

**Retention of transfers**

36. All instruments of transfer which shall be registered may be retained by the Company, but any instrument of transfer which the directors refuse to register shall (except in any case of fraud) be returned to the person depositing the same.

**Renunciation of allotments**

37. The directors may at any time after the allotment of any share but before any person has been entered in the register of members as the holder, (a) recognise a renunciation of the allotment of any share 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 (b) 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 directors may think fit to impose.

## TRANSMISSION OF SHARES

### **Transmission on death**

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

### **Election of successor**

39. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence as to his title being produced as may from time to time be required by the directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.

### **Procedure on election**

40. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing a transfer of the share in favour of that person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member or otherwise by operation of law had not occurred and the notice or transfer were a transfer signed by such member. Any transfer of uncertificated shares must be made using a relevant system.

### **Rights of unregistered successors**

41. 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 shall (upon supplying to the Company such evidence as the directors may reasonably require as to his title to the share) be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he shall not be entitled in respect of that share to receive notices of or to attend or vote at meetings of the Company nor, save as aforesaid, to any of the rights or privileges of a member, until he shall have become a member in respect of the share; provided always that the directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if within sixty days the notice is not complied with such person shall (but only in the case of a share which is fully paid up) be deemed to have elected to be registered as a member in respect thereof and may be registered accordingly.

## STOCK

- Transfer of stock**
42. Deleted.
43. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations, as would have applied to the shares from which the stock arose if they had not been converted, or as near thereto as circumstances admit, but the directors may from time to time, if they think fit, fix the minimum amount of stock transferable; provided that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- Rights of holders of stock**
44. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings and other matters, as if they held shares of the class from which the stock arose, but no such privilege or advantage (except participation in dividends and profits of the Company and in the assets on a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
- Provisions applicable to stock**
45. All of the provisions of these Articles as are applicable to paid up shares shall apply to stock.

## UNTRACED MEMBERS

- Sale of Shares**
46. The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled to as a consequence of the death or bankruptcy of a member or otherwise by operation of law (for the purposes of Articles 46 to 50A, “**the relevant holder**”) if:
- (A) during the period of twelve years before the sending of the notice referred to in Article 46(B), no communication shall have been received by the Company from the relevant holder, and no cheque or warrant, sent by the Company addressed to the relevant holder at the address detailed in the register of members or the last known address given by the relevant holder to which cheques and warrants are to be sent, shall have been cashed and at least three dividends in respect of the shares shall have become payable and no dividend in respect of the shares shall have been claimed; and
- (B) following the expiry of the twelve-year period referred to in Article 46(A), the Company has sent a notice:
- (i) in hard copy form to the last known physical address that the Company has for the relevant holder; or
- (ii) in electronic form to the last known email address that the Company has for the relevant holder,
- giving notice of the Company's intention to sell the relevant shares. Before sending such notice, the Company must have used

reasonable efforts to trace the relevant holder, engaging, if the Company considers appropriate (in its sole discretion), a professional asset reunification company or other tracing agent; and

(C) during the period of three months following the sending of the notice referred to in Article 46(B) the Company has not received any communication from the relevant holder.

47. The Company shall also be entitled to sell any additional shares in the Company held by a relevant holder under Article 46 that were issued by the Company during the twelve-year period referred to in Article 46(A), if and provided that:

(A) the criteria in Articles 46(B) and 46(C) are satisfied in relation the additional shares (but as if the words "following the expiry of the twelve-year period" were omitted from Article 46(B)); and

(B) no dividend on such additional shares has been cashed or claimed by the relevant member or person.

48. Deleted.

**Transfer of shares**

49. To give effect to any sale pursuant to Article 46 or Article 47 the Company may appoint any person to execute an instrument of transfer of the shares and the instrument of transfer shall be as effective as if the instrument of transfer had been executed by the relevant holder and the title of the transferee to the shares shall not be affected by any irregularity or invalidity in the procedures relating to the transfer.

**Proceeds of sale**

50. The net proceeds of the sale of any shares pursuant to Article 46 or Article 47 (after payment of the costs of the sale) shall be forfeited by the relevant holder and shall belong to the Company. The Company shall not be liable in any respect, nor be required to account, to such relevant holder or other person previously entitled for the net proceeds of such sale. The net proceeds of the sale may be applied in the business of the Company or in any such manner as the directors may, from time to time, determine.

**Uncertificated Shares of Untraced Members**

50A. In the case of uncertificated shares, Articles 46 to 50 are subject to any restrictions which apply under the Regulations.

INCREASE OF CAPITAL

**Power to increase capital**

51. The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts and carrying such rights as the resolution may prescribe.

**Form of new capital**

52. All new shares shall (unless the Company shall in general meeting otherwise determine) be subject to the provisions of these Articles with reference to payment of calls, forfeiture, surrender, lien, transfer, transmission and otherwise, and unless otherwise provided by or

pursuant to these Articles or by the conditions of issue the new shares shall upon issue be Ordinary Shares.

#### FRACTIONS ARISING ON CONSOLIDATION OR SUBDIVISION

##### **Fractions**

53. (A) Whenever as a result of any subdivision or consolidation of shares any member would become entitled to a fraction of a share, the directors may for the purpose of eliminating such fractions sell the shares representing the fractions to any person (including, subject to the provisions of the Statutes, the Company) for the best price reasonably obtainable and distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares, and for the purpose of any such sale the directors may authorise some person to transfer the shares representing the fractions to the purchaser thereof whose name shall thereupon be entered in the register of members as the holder of the shares, and who 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 or invalidity in the proceedings in reference to the sale.

##### **Power to sub-divide shares**

- (B) When the Company consolidates or divides shares, the Company can treat certificated and uncertificated shares which a member holds as separate shareholdings, as far as the Companies Acts and the Regulations allow. The Company can also arrange for any shares which result from a consolidation or division and which represent rights to fractions of shares to be entered in the register as certificated shares where such consolidation or division facilitates the sale of such shares.

##### **Distribution to charity**

- (C) Where any member's entitlement to a portion of the proceeds of sale amounts to less than £3, that member's portion may at the directors' discretion be distributed to an organisation which is a charity for the purposes of the law of England and Wales.

##### **Power to reduce capital**

- (D) The Company may by special resolution reduce its share capital and any capital redemption reserve and any share premium account or other undistributable reserve in any manner subject to the provisions of the Statutes.

#### GENERAL MEETINGS

##### **Annual and Extraordinary General Meetings**

54. The Company shall in each period of six months beginning with the day following the Company's accounting reference date hold a general meeting as its annual general meeting in addition to any other meetings in that year. Subject as aforesaid and to the provisions of the Companies Acts, the annual general meeting shall be held at such date and time as the directors may determine. All general meetings other than annual general meetings shall be called extraordinary general meetings.



**Requisitioned meetings**

55. The directors may whenever they think fit, and shall on requisition in accordance with the Companies Acts, proceed to convene an extraordinary general meeting.

**Postponement of general meetings**

- 55A. The directors may resolve to postpone any general meeting or move the place or places (including, for a combined physical and electronic general meeting, electronic platform) of such meeting before the date on which it is to be held, except where the postponement or move would be contrary to the Statutes. The directors may give notice of a postponement or move as they think fit but any failure to give notice of a postponement or move does not invalidate the postponement or move or any resolution passed at a postponed or moved meeting. Notice of the business of a postponed or moved meeting does not need to be given again. If a meeting is postponed or moved, the appointment of a proxy for that meeting is valid if it is done in accordance with these Articles and received not less than 48 hours before the commencement of the postponed or moved meeting to which it relates. The directors can also postpone or move a postponed or moved meeting under this Article 55A.

NOTICE OF GENERAL MEETINGS

**Notice**

56. (A) The Company may determine that only those persons entered on the register of members at the close of business on a day determined by the Company, such day being no more than twenty-one days before the day that notice of the meeting is sent, shall be entitled to receive such a notice. If a member is added to the register after the day determined by the Company under this Article, this shall not invalidate the service of the notice, nor entitle such member to receive notice of the meeting.
- (B) Notices shall be given in the manner hereinafter mentioned to all the members, other than those who under the provisions of these Articles or the conditions of issue of the shares held by them are not entitled to receive the notice, to the directors (including the alternate directors) and to the auditors for the time being and (where required by the Companies Acts) former auditors of the Company.

**Content of notice**

57. (A) Every notice calling a meeting of the Company shall include all information required to be included by the Statutes.
- (B) For the purposes of determining which persons are entitled to attend a meeting, the Company may specify in the notice of the meeting a time by which a person must be entered on the Register in order to have the right to attend the meeting. For the purposes of determining which persons are entitled to vote at a meeting, and how many votes such persons may cast, the company must specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. The directors may at their discretion resolve that, in calculating such period, no account shall be taken of any part of any day that is not a working day (within the meaning of Section 1173 of the Companies Act 2006).

**Duty to inform members on requisition**

58. It shall be the duty of the Company, subject to the provisions of the Companies Acts, on the requisition in writing of such number of members as is specified in the Companies Acts and (unless the Company otherwise resolves) at the expense of the requisitionists, (a) to give to members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting and (b) to circulate to members entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

**Omission of notice**

59. The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

60. Deleted.

**Special notice**

61. Where, by any provision contained in the Companies Acts, special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Companies Acts permit) before the meeting at which it is moved, and the Company shall give to the members notice of any such resolution as required by and in accordance with the provisions of the Companies Acts.

**Quorum**

62. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as in these Articles otherwise provided, two members present at the general meeting or represented by proxy and entitled to vote at the meeting shall be a quorum for all purposes.

**Adjournment on lack of quorum**

63. If within fifteen minutes from the time appointed for the meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to such other day, and at such time and place or places (including, for a combined physical and electronic general meeting, electronic platform), as the directors may determine, provided that the adjourned meeting shall be held not less than ten clear days after the original meeting, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

**Chairman of meeting**

64. The chairman (if any) of the board of directors, or in his absence the deputy chairman (to be chosen, if there be more than one, by agreement amongst them or, failing agreement, by lot) or in his absence some other director nominated by the directors shall preside as chairman at every general meeting of the Company, but if at any meeting neither such chairman nor such deputy chairman nor such other director be present

within five minutes after the time appointed for holding the meeting, or if none of them be willing to act as chairman, the directors present shall choose some director present to be chairman, or if no director be present, or if all the directors present decline to take the chair, a member may be elected to be the chairman by a resolution of the Company passed at the meeting.

**Power to adjourn**

65. (A) The chairman of any meeting at which a quorum is present may, with the consent of such meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
- (B) The chairman of any meeting at which a quorum is present may adjourn the meeting from time to time and from place to place, if:
- (i) the chairman considers it necessary to restore order or to otherwise facilitate the proper conduct of the meeting; or
  - (ii) the chairman considers it necessary for the safety of the people attending the meeting (including if there is insufficient room at the meeting venue to accommodate everyone who wishes to, and is entitled to, attend),

but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

**Notice of adjournment**

- (C) When a meeting is adjourned for thirty days or more, seven days' notice at least, specifying the day, the time and the place or places (and if applicable for a combined physical and electronic general meeting) electronic platform of the adjourned meeting, shall be given as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.

**Amending resolutions**

- 65A. (A) Amendments can be proposed to any resolution if they are only clerical amendments, or amendments to correct some other obvious error in the resolution.
- (B) No other amendments can be proposed to any special resolution.
- (C) Amendments to an ordinary resolution which are within the scope of the resolution can be proposed if:
- (i) notice of the proposed amendment is delivered to the Office at least 48 hours before the time of the meeting, or adjourned meeting; or
  - (ii) the chairman of the meeting decides that the amendment is appropriate for consideration by the meeting.

No other amendments can be proposed to an ordinary resolution.

- (D) If the chairman, acting in good faith, rules an amendment out of order, any error in that ruling will not affect the validity of a vote on the resolution.

**Security arrangements and orderly conduct**

- 65B. (A) The directors may put in place such arrangements or restrictions as they think fit to ensure the safety and security of attendees at a general meeting and the orderly conduct of the meeting.
- (B) The directors may refuse entry to, or remove from, a general meeting any member, proxy or other person who fails to comply with such arrangements or restrictions.
- (C) The chairman of a general meeting may take such action as he thinks fit to maintain the proper and orderly conduct of the meeting.

**Satellite meeting places**

- 65C. (A) To facilitate the organisation and administration of any general meeting, the directors may decide that the meeting shall be held at two or more locations.
- (B) For the purposes of these Articles any general meeting taking place at two or more locations shall be treated as taking place where the chairman of the meeting presides (the “principal meeting place”) and any other location where that meeting takes place is referred to in these Articles as a “satellite meeting”).
- (C) A member present in person or by proxy at a satellite meeting may be counted in the quorum and may exercise all rights that they would have been able to exercise if they were present at the principal meeting place.
- (D) The directors may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:
  - (i) ensure that all members and proxies for members wishing to attend the meeting can do so;
  - (ii) ensure that all persons attending the meeting are able to participate in the business of the meeting;
  - (iii) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and
  - (iv) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.
- (E) The entitlement of any member or proxy to attend a satellite meeting shall be subject to any such arrangements then in force and stated by the notice of meeting or adjourned meeting to apply to the meeting.
- (F) If there is a failure of communication equipment or any other failure in the arrangements for participation in the meeting at more than one place, the chairman may adjourn the meeting in accordance with Article 65(B)(i). Such an adjournment will not affect the validity of such meeting, or any business conducted at such meeting

up to the point of adjournment, or any action taken pursuant to such meeting.

- (G) A person (a “satellite chairman”) appointed by the directors shall preside at each satellite meeting. 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.

**Combined physical and**

**electronic general meetings**

65D. (A) Without prejudice to Article 65(C), the directors may decide to hold a general meeting as a combined physical and electronic general meeting and, in such case, shall provide details of the means for members to attend and participate in the meeting, including the physical place or places of meeting and the electronic platforms to be used.

- (B) The directors and the chairman of a combined physical and electronic general meeting may make any arrangement and impose any requirement or restriction as is:

- (i) necessary to ensure the identification of those taking part and the security of the electronic communication; and
- (ii) proportionate to achieving these objectives.

(C) All resolutions put to members at a combined physical and electronic general meeting shall be voted on by a poll in accordance with Articles 66 and 67 and such poll votes may be cast by such means as the directors in their absolute discretion consider appropriate for the purposes of the meeting.

(D) Persons seeking to attend or participate in a combined physical and electronic general meeting via an electronic platform shall be responsible for ensuring that they have access to the facilities (including, without limitation, systems, equipment and connectivity) which are necessary to enable them to do so. Unless the meeting is adjourned by the chairman in accordance with the provisions of Article 62, any inability of a person or persons to attend or participate in a combined physical and electronic general meeting via an electronic platform will not affect the validity of such meeting, or any business conducted at such meeting up to the point of adjournment, or any action taken pursuant to such meeting.

**Attendance at and participation in general meetings**

65E. (A) In determining whether persons are attending or participating in a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other or how they are able to communicate with each other.

- (B) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.

- (C) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (D) A person is able to exercise the right to vote at a general meeting when:
  - (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (ii) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

**Method of voting**

66. (A) At any general meeting a resolution, other than a resolution relating to a procedural matter at any general meeting which is held only as a physical general meeting, put to the vote of the meeting shall be decided on a poll (whether or not one is demanded).
- (B) At any general meeting which is held only as a physical general meeting, a resolution relating to a procedural matter put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded before the resolution is put to the vote on a show of hands or on the result of the show of hands being declared by the chairman. A poll can be demanded:
- (i) by the chairman of the meeting; or
  - (ii) by not less than five members having the right to vote at the meeting; or
  - (iii) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (iv) by a member or members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- (C) At a general meeting which is held as a combined physical and electronic general meeting, a resolution put to the vote of the meeting shall be decided on a poll, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

**Proxy's right to demand poll**

67. The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of the last preceding Article a demand by a person as proxy for a member shall be the same as a demand by the member.

**Incorrect computation of votes**

68. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the result of the voting.

**Method of taking poll**

69. If a poll is duly demanded or held in the way allowed by the Articles, it shall be taken in such manner as the chairman of the meeting may direct (including the use of ballot or voting papers or (to the extent permitted by the Companies Acts or other legislation) electronic voting papers or forms) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded or held in the way allowed by the Articles. The chairman of the meeting may, in the event of a poll, appoint scrutineers (who need not be members) and may fix some place and time for the purpose of declaring the result of the poll.

**Where there cannot be a poll**

70. Notwithstanding any other provision in these Articles, at any general meeting which is held only as a physical general meeting, a poll is not allowed on a vote to elect a chairman of a general meeting, nor is a poll allowed on a vote to adjourn a meeting, unless the chairman of the meeting demands a poll.

**Timing of poll**

- 70A. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. Any other poll shall be taken at such time and place as the chairman of the meeting shall direct not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded.

71. Deleted.

**Other business**

72. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

**Withdrawal of poll demand**

73. A demand for a poll may be withdrawn and no notice need be given of a poll not taken immediately.

**Security at meetings**

- 73A. The directors can put in place arrangements, both before and during any general meeting, which they consider to be appropriate for the proper and orderly conduct of the general meeting and the safety of the people attending it. This authority includes the power to refuse entry to, or remove from meetings, people who fail to comply with the arrangements.

**Orderly conduct at meetings**

- 73B. The chairman of the meeting can take any action he considers appropriate for proper and orderly conduct at a general meeting. The chairman's decision on points of order, matters of procedure or on matters that arise incidentally from the business of a meeting is final, as is the chairman's decision on whether a point or matter is of this nature.

VOTES OF MEMBERS AND RESTRICTIONS ON VOTING

**Voting rights**

74. (A) Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member, who is present in person and, subject to Article 80(C), every proxy present who has been duly appointed or (being a corporation) is present by a representative or representatives or proxy who has been duly appointed not being himself a member, shall have one vote and on a poll every member who is present or by proxy shall have one vote for every 28<sup>4</sup>/7p in nominal amount of share capital of which he is the holder.

**Restrictions on Voting**

- (B) If any member, or any other person appearing to be interested in shares (within the meaning of Part 22 of the Companies Act 2006) held by such member, has been duly served with a notice under Section 793 of the Companies Act 2006 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:

- (i) 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
- (ii) 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 74(C)(ii) below) be entitled to attend or vote either personally or by proxy at a general meeting or to exercise any other right conferred by membership in relation to general meetings.

- (C) 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 in writing (a “direction notice”) to such member direct that:

- (i) 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 dividend or other 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



- (ii) no transfer of any of the shares held by such member shall be registered unless:
  - (a) the transfer is an approved transfer; or
  - (b)
    - (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,

provided that, in the case of shares in uncertificated form, the directors may only exercise their discretion not to register a transfer if permitted to do so by the Regulations.

Any direction notice may treat shares of a member in certificated and uncertificated form as separate holdings and either apply only to the former or to the latter or make different provision for the former and the latter.

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

- (D) 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.
- (E) 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 notice in writing thereof being given to the member forthwith).
- (F) 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 74(B)(ii) above.
- (G) For the purposes of this Article:
  - (i) 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

- (ii) a transfer of shares is an “approved transfer” if:
  - (a) 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 Companies Act 2006); or
  - (b) 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 a recognised investment exchange or through a 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.

(H) The provisions of this Article are in addition and without prejudice to the provisions of the Companies Acts.

**Votes in respect of joint holders**

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

**No right to vote when call is unpaid**

- 77. No member shall, unless the directors otherwise determine, be entitled to vote at any general meeting either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Objections**

- 78. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

**Votes on a poll**

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

**Appointment and rights of proxy**

80. (A) Any person (whether a member or not) may be appointed to act as a proxy. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.
- (B) Subject to the Statutes, a proxy shall have the right to exercise all or any of the rights of his appointor, or (where more than one proxy is appointed) all or any of the rights attached to the shares in respect of which he is appointed the proxy to attend, and to speak and vote, at a meeting of the Company.
- (C) On a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:
- (i) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
  - (ii) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his discretion as to how to vote.

**Form of proxy**

81. The instrument appointing a proxy shall be in writing in the usual common form, or such other form as may be approved by the directors including appointment by telephone, fax or electronic form, and shall be signed by the appointor or by his attorney duly authorised in writing, or if the appointor is a corporation shall be either under its common seal or under the hand of a duly authorised officer or attorney of the corporation, or authenticated in accordance with Article 170. The directors may, but shall not be bound to, require evidence of authority of such officer or attorney. An instrument of proxy need not be witnessed.

**Deposit of proxy**

82. (A) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or, to the extent permitted by the Companies Acts or other legislation, otherwise made effective, or a notarially certified or office copy of such power or authority, shall be deposited at such address in the United Kingdom as is specified for that purpose in the notice calling the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting or, if no address was specified, at the place where the register of members is situate for the time being:
- (i) in the case of a meeting or adjourned meeting, not less than 48 hours before the commencement of the meeting or adjourned meeting to which it relates;
  - (ii) in the case of a poll taken following the conclusion of a meeting or adjourned meeting, but not more than 48 hours after the poll was demanded, not less than 48 hours before the commencement of the meeting or adjourned meeting at which the poll was demanded; and

- (iii) in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for the taking of the poll,

and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

- (B) The directors may at their discretion determine that, in calculating the periods mentioned in Article 82(A), no account shall be taken of any part of any day that is not a working day (within the meaning of Section 1173 of the Companies Act 2006).
- (C) Without limiting the provisions in these Articles, in relation to any shares in uncertificated form the directors may permit a proxy to be appointed by electronic means or by means of a website in the form of an Uncertificated Proxy Instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, sent by means of a relevant system to such participant in that system acting on behalf of the Company as the directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the directors (subject always to the facilities and requirements of the relevant system)); and may permit any supplement to, or amendment or revocation of, any such Uncertificated Proxy Instruction to be made by a further Uncertificated Proxy Instruction. The directors may in addition prescribe the method of determining the time at which any such instruction or notification is to be treated as received by the Company. The directors may treat any such instruction or notification purporting or expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that holder.

**Incidents affecting  
validity of proxy**

- 83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed; provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the address or one of the addresses (if any) specified for receipt of proxies in, or by way of note to, or in any document accompanying, the notice convening the meeting to which the appointment of the proxy relates (or if no address is so specified, at the Office):
  - (i) in the case of a meeting or adjourned meeting, not less than 48 hours before the commencement of the meeting or adjourned meeting to which the proxy appointment relates;
  - (ii) in the case of a poll taken following the conclusion of a meeting or adjourned meeting, but not more than 48 hours after it was demanded, not less than 48 hours before the commencement of the meeting or adjourned meeting at which the poll was demanded; or

- (iii) in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for the taking of the poll.

**Circulation of proxy forms**

84. The directors may at the expense of the Company send, by post or otherwise, to the members instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any meeting of any class of members of the Company either in blank or nominating in the alternative any one or more of the directors or the chairman of the meeting or any other person or persons. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy.

**CORPORATIONS ACTING BY REPRESENTATIVES**

**Representatives**

85. Subject to the Statutes, any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company.

**DIRECTORS**

**Number of directors**

86. Subject as hereinafter provided, the directors shall be not less than two in number but the Company may by ordinary resolution from time to time vary the minimum number and may also fix and from time to time vary a maximum number of directors.

**No share qualification required**

87. A director and an alternate director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

**Remuneration of directors**

88. (A) The directors shall be entitled to fees at such rate as the directors may from time to time determine subject to a maximum in respect of all directors of £750,000 per annum in aggregate or such higher amount as the Company may by ordinary resolution from time to time determine; provided that, unless otherwise agreed by the directors, no such fees shall be payable under this Article to a director for the time being employed by or holding executive office with the Company.
- (B) Such fees shall (unless otherwise provided by ordinary resolution) be divisible among the directors as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a

proportion of fees related to the period during which he has held office.

- (C) The directors' fees shall be deemed to accrue from day to day. The directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company, or in attending and returning from meetings of the directors or of committees of the directors or general meetings.

**Additional remuneration**

89. Any director who holds any executive office (including for this purpose the office of chairman or deputy chairman whether or not such office is held in an executive capacity), or who serves on any committee or who devotes special attention to the business of the Company, 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 or otherwise as the directors may determine.

**Alternate directors**

90. Each director (other than an alternate director) may at any time appoint another director or (subject to the approval of a majority of the directors for the time being) any other person to be an alternate director of the Company, and may at any time remove any alternate director so appointed by him from office and, subject to any requisite approval as aforesaid, appoint another person in his place. An alternate director so appointed shall not be required to hold any share qualification. An alternate director shall (subject to his giving to the Company a postal address within the United Kingdom, or an electronic address, at which notices may be served upon him) be entitled to receive notices of all meetings of the directors and to attend and vote as a director at any such meeting at which the director appointing him is not present, and generally at such meeting to perform all the functions of his appointor as a director in the absence of such appointor 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 temporarily unable to act through ill health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. To such extent as the directors may from time to time determine in relation to any committees of the directors the foregoing provisions of this paragraph shall also apply, making such changes as are necessary, 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. An alternate director shall automatically cease to be an alternate director if his appointor ceases for any reason to be a director; provided that if any director retires, whether by rotation or otherwise, but is re-appointed or is deemed to have been re-appointed by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not so retired.

All appointments and removals of alternate directors shall be effected by notice in writing of the director making such appointment or removal and sent to or left at the Office.

**Status and remuneration of alternate directors**

91. An alternate director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the director appointing him. 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. The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him, and shall consist of such part (if any) of the latter's remuneration as shall be agreed between them.

**Offices of profit**

92. A director, including an alternate director, may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director; and may act in a professional capacity in relation to the Company on such terms as to tenure of office, remuneration and otherwise as the directors may determine.

**Directors' contracts**

93. No director or intending director, including an alternate director, shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way, whether directly or indirectly, interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement, by reason of such director holding that office or of the fiduciary relationship thereby established.

**Authorisations of directors' interests**

94. (A) For the purposes of Section 175 of the Companies Act 2006, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that Section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- (B) Authorisation of a matter under this Article shall be effective only if: (a) the matter in question shall have been proposed in writing for consideration at a meeting of the directors or in such other manner as the directors may determine; (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together the "**Interested Directors**"); and (c) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

- (C) Any authorisation of a matter under this Article may: (a) extend to any actual or potential conflict of interest which may arise out of the matter so authorised; (b) be subject to such conditions or limitations as the directors may determine, whether at the time such authorisation is given or subsequently; (c) be terminated by the directors at any time; and a director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation.
- (D) A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under this Article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- (E) This Article does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.

**Permitted Interests**

- 95. (A) Subject to compliance with Article 95(B), a director, notwithstanding his office, may have an interest of the following kind:
  - (i) where a director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company;
  - (ii) where a director (or a person connected with him) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested;
  - (iii) where the director (or a person connected with him) acts (or any firm of which he is a partner, employee or member acts) in a professional capacity for any Relevant Company (other than as Auditor) whether or not he or it is remunerated therefor;
  - (iv) where the director is or becomes a director of any other company in which the Company does not have an interest if that cannot reasonably be regarded as likely to give rise to a conflict of interest at the time of his appointment as director of that other Company;
  - (v) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (vi) an interest, or a transaction or arrangement giving rise to an interest, of which the director is not aware; or
  - (vii) any other interest authorised by ordinary resolution.

No authorisation under Article 94 shall be necessary in respect of any such interest.



- (B) Subject to Section 182 of the Companies Act 2006, the director shall declare the nature and extent of any interest permitted under Article 95(A) and not falling within Article 95(C), at a meeting of the directors or in such other manner as the directors may determine.
- (C) No declaration of an interest shall be required by a director in relation to an interest:
- (i) falling within paragraph (iv) or (v) of Article 95(A);
  - (ii) if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
  - (iii) if, or to the extent that, it concerns the terms of his service contract (as defined in Section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose under these Articles.
- (D) A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 95(A) and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.
- (E) For the purposes of this Article, “Relevant Company” shall mean:
- (i) the Company;
  - (ii) a subsidiary undertaking of the Company;
  - (iii) any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking;
  - (iv) any body corporate promoted by the Company; or
  - (v) any body corporate in which the Company is otherwise interested.

**Directors' interests  
in relation to quorum  
and voting**

96. (A) Save as provided in this Article, and whether or not the interest is one which is authorised pursuant to Article 94 or permitted under Article 95, a director shall not be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he (or a person connected with him) is interested. Any vote of a director in respect of a matter where he is not entitled to vote shall be disregarded.

- (B) A director shall not be counted in the quorum for a meeting of the directors in relation to any resolution on which he is not entitled to vote.
- (C) Subject to the provisions of the Statutes, a director shall (in the absence of some other interest than is set out below) be entitled to vote, and be counted in the quorum, in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal:
- (a) in which he has an interest of which he is not aware;
  - (b) in which he has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (c) in which he has an interest only by virtue of interests in shares, debentures or other securities of the Company, or by reason of any other interest in or through the Company;
  - (d) which involves the giving of any security, guarantee or indemnity to the director or any other person in respect of (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or (ii) a debt or other 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;
  - (e) concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings (i) in which offer he is or may be entitled to participate as a holder of securities; or (ii) in the underwriting or sub-underwriting of which he is to participate;
  - (f) concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer, shareholder, creditor, employee or otherwise, provided that he (together with persons connected with him) is not the holder of, or beneficially interested in, one per cent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to members of the relevant body corporate;
  - (g) relating to an arrangement for the benefit of the employees or former 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 or former employees to whom such arrangement relates;
  - (h) concerning the purchase or maintenance by the Company of insurance for any liability for the benefit of directors or for the benefit of persons who include directors;
  - (i) concerning the giving of indemnities in favour of directors;

- (j) concerning the funding of expenditure by any director or directors on (i) defending criminal, civil or regulatory proceedings or actions against him or them, (ii) in connection with an application to the court for relief, or (iii) defending him or them in any regulatory investigations;
  - (k) concerning the doing of anything to enable any director or directors to avoid incurring expenditure as described in paragraph (j); and
  - (l) in respect of which his interest, or the interest of directors generally, has been authorised by ordinary resolution.
- (D) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments with the Company (or any body corporate in which the Company is interested), the proposals may be divided and considered in relation to each director separately. In such case, each of the directors concerned (if not debarred from voting under paragraph (C)(f) of this Article) shall be entitled to vote, and be counted in the quorum, in respect of each resolution except that concerning his own appointment or the fixing or variation of the terms thereof.
- (E) If a question arises at any time as to whether any interest of a director prevents him from voting, or being counted in the quorum, under this Article, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive, except in a case where the nature or extent of the interest of such director has not been fairly disclosed. If any such question shall arise in respect of the chairman of the meeting, the question shall be decided by resolution of the directors and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman of the meeting (so far as it is known to him) has not been fairly disclosed to the directors.

**Confidential Information**

- (F) (i) Subject to the following provisions of this Article, if a director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:
- (a) to disclose such information to the Company or to the directors, or to any director, officer or employee of the Company; or
  - (b) otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director.
- (ii) Where such duty of confidentiality arises out of a situation in which the director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 96(F)(i) shall apply only

if the conflict arises out of a matter which has been authorised under Article 94 above or falls within Article 95 above.

- (iii) This Article is without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing information, in circumstances where disclosure may otherwise be required under this Article.

**Directors' interests -  
general**

- (G) (i) For the purposes of Articles 94 to 96:
  - (a) an interest of a person who is connected with a director shall be treated as an interest of the director; and
  - (b) Section 252 of the Companies Act 2006 shall determine whether a person is connected with a director.
- (ii) Where a director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the director may, and shall if so requested by the directors take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the directors for the purpose of or in connection with the situation or matter in question, including without limitation:
  - (a) absenting himself from any meetings of the directors at which the relevant situation or matter fails to be considered; and
  - (b) not reviewing documents or information made available to the directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.
- (iii) The Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 94 to 96.

**Power to  
run pension  
schemes**

- 97. (A) The directors may establish, maintain, participate in and/or contribute to or procure the establishment and maintenance of, participation in and/or contribution to any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and

emoluments to, any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any company which is a subsidiary undertaking of the Company or is allied to or associated with the Company, or with any such subsidiary undertaking, or who may be or have been directors or officers of the Company, or of any such other company as aforesaid, and who hold or have held executive positions or agreements for service with the Company or any such other company, and the wives, widows, families and dependants of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs, trusts or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid, and (subject to the provisions of the Companies Acts) may establish and contribute to any scheme for the purchase by trustees of shares in the Company or any parent undertaking to be held for the benefit of the Company's employees

**Power to subscribe for charitable and other objects**

and (subject as aforesaid) lend money to the Company's employees to enable them to acquire such shares, and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject always, if the Companies Acts shall so require, to particulars with respect to the proposed payment being disclosed to the members of the Company and to the proposal being approved by the Company by ordinary resolution, any director who holds or has held any such executive position or agreement for service shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance, benefit or emolument.

**Share option and incentive schemes**

- (B) Subject to the Company obtaining any approval which may be required by law or by the rules of the London Stock Exchange from time to time, the directors may also establish and maintain any employees' share scheme, or other share option, share incentive or profit sharing scheme whereby employees (including any director who holds or has held an executive position or agreement for service) or former employees (including any such former director) of the Company or of any company which is a subsidiary undertaking of the Company or of any company which is owned by a consortium (as defined in Section 187(7) of the Income and Corporation Taxes Act 1988 or any statutory modification or re-enactment thereof) of which the Company is a member or the wives, husbands, widows, widowers, children or step-children under the age of eighteen of any such employees or former employees, may be given the opportunity of acquiring shares in the capital of the Company on the terms and subject to the conditions set out in such scheme and (if any such scheme so provides and subject to the Companies Acts) the Company may contribute to any scheme for the purchase by or transfer, allotment or issue to trustees of shares to be held for the benefit of employees (including, but without limitation, any directors and officers) of the Company and subject to the Companies Acts lend money to such trustees or employees to enable them to purchase such shares.

## BORROWING POWERS

### Power to borrow and secure borrowings

98. (A) Subject as hereinafter provided the directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property (present and future), assets and uncalled capital, and (subject to the Companies Acts) 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.

### Restriction of borrowings

- (B) 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 and excluding Sainsbury's Bank plc and its subsidiary undertakings (together, the "**Bank**")) so as to secure (as regards such subsidiary undertakings so far as by such exercise they can secure) that the aggregate of the amounts borrowed by the Company and such subsidiary undertakings and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to one and one-half times Adjusted Capital and Reserves.
- (C) Borrowing shall be deemed to include the following except in so far as otherwise taken into account:
- (a) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company (excluding the Bank) owned otherwise than by a member of the Group;
  - (b) debentures issued by a member of the Group (excluding the Bank) in whole or in part for a consideration other than cash beneficially owned otherwise than by a member of the Group;
  - (c) the nominal amount of any other issued and paid up share capital and the principal amount of any borrowed monies which is not at the relevant time beneficially owned by a member of the Group, the redemption or repayment of which is the subject of a guarantee or indemnity by a member of the Group (excluding the Bank) or which any member of the Group (excluding the Bank) may be required to buy;
  - (d) the principal amount of any loan capital (whether secured or unsecured) of a member of the Group (excluding the Bank) beneficially owned otherwise than by a member of the Group;
  - (e) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened by or on behalf of any member of the Group (excluding the

Bank), other than acceptances relating to the purchase of goods in the ordinary course of trading;

- (f) any fixed or minimum premium payable by a member of the Group (excluding the Bank) on final repayment of any borrowing or deemed borrowing; and
  - (g) the minority proportion of moneys borrowed by a member of the Group (excluding the Bank) and owing to a partly-owned subsidiary undertaking.
- (D) Borrowings shall not include and shall be deemed not to include:
- (a) any borrowings of the Bank;
  - (b) amounts borrowed by any member of the Group for the purposes of repaying within six months of the borrowing the whole or any part (with or without premium) of any borrowings of that or other member of the Group then outstanding;
  - (c) amounts borrowed by any member of the Group to finance any contract where any part of the price receivable under the contract by that or any other member of the Group is guaranteed or insured by the Export Credits Guarantee Department or by any other governmental department or agency fulfilling a similar function, up to any amount equal to that part of the price receivable under the contract which is so guaranteed or insured;
  - (d) borrowings of, or amounts secured on assets of, an undertaking which became a subsidiary undertaking of the Company after the date the latest audited consolidated balance sheet of the Group was prepared (but this exclusion will only apply up to an amount equal to the amount of borrowing, or amounts secured on assets of the undertaking, at the time immediately after it became a subsidiary undertaking);
  - (e) the minority proportion of moneys borrowed by a partly owned subsidiary undertaking and not owing to another member of the Group; and
  - (f) lease obligations to which any member of the Group is a party which would be shown as a liability in a balance sheet prepared in accordance with International Financial Reporting Standard (IFRS) 16 Leases or with any then current accounting principles used in the preparation of the relevant balance sheet.
- (E) When the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing then outstanding which is denominated or repayable in a currency other than sterling shall be notionally converted into sterling at the rate of exchange prevailing in London on the last business day before that date. For these purposes the rate of exchange shall be taken to be the spot rate in London

recommended by a London clearing bank, selected by the directors, as being the most appropriate rate for the purchase by the company of the currency in question for sterling on the day in question.

(F) For the purposes of this Article:

- (a) "**Adjusted Capital and Reserves**" means a sum equal to the aggregate of the amount paid up on the issued share capital of the Company and the amount standing to the credit of the reserves of the Group, including share premium account, capital redemption reserve and retained earnings reserve included in the latest audited consolidated balance sheet of the Group, but:
- (i) excluding other reserves and any debit balance on the retained earnings reserve (if a deduction for such amount has not already been made);
  - (ii) adjusted in respect of any variations in the amount of paid up share capital, share premium account or capital redemption reserve fund effected or any distributions made (otherwise than within the Group) since the date of such balance sheet except in so far as provided for therein. For this purpose, share capital allotted shall be treated as issued and any share capital already called up or payable at any future date within the following twelve months shall be treated as already paid up and if the Company proposes to issue any shares for cash and the issue of such shares has been underwritten then such shares shall be deemed to have been issued and the subscription moneys (including any premium) payable in respect thereof within the following twelve months shall be deemed to have been paid up; and
  - (iii) adjusted in such other manner as the auditors of the Company shall consider appropriate;
- (b) "**Group**" shall mean the Company and its subsidiary undertakings for the time being;
- (c) "**minority proportion**" means a proportion equal to the proportion of the issued share capital of a partly-owned subsidiary undertaking which does not belong to a member of the Group; and
- (d) any company which it is proposed shall become a subsidiary undertaking contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary undertaking.

(G) A certificate or report by the Company's auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings, or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time shall be conclusive evidence of that amount or fact.



- (H) No person dealing with the Company or any of its subsidiary undertakings shall by reason of the foregoing provision be concerned to see or inquire 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 the security given express notice that the said limit had been or would thereby be exceeded.

#### GENERAL POWERS OF DIRECTORS

##### **General power to run business**

99. The business of the Company shall be managed by the directors, who may exercise all such powers of the Company as are not by the Companies Acts or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Companies Acts, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if such regulation had not been made. The general powers given to the directors by this Article shall not be limited or restricted by any special authority or power given to the directors by any other Article.

##### **Power to delegate locally**

100. The directors may establish any local boards, committees or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards or committees, or any managers or agents, and may fix their remuneration, and may delegate to any local board, committee, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local board or committee, 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 annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

##### **Power to appoint attorneys**

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

**Power to establish  
branch register**

102. The Company, or the directors on behalf of the Company, may cause to be kept in any part of Her Majesty's Dominions outside the United Kingdom, the Channel Islands or the Isle of Man (and, if the Companies Acts shall so permit, in any other country, territory or area) in which the Company transacts business a branch register or registers of members resident therein, and the directors may (subject to the provisions of the Companies Acts) make and vary such regulations as they may think fit respecting the keeping of any such register.

**Delegation of  
power to make  
calls as part of  
security**

103. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of directors, and shall be assignable if expressed so to be.

**Negotiable  
instruments**

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

105. (A) Without prejudice to Article 174, the directors shall have power to purchase and maintain insurance for or for the benefit of:
- (i) any persons who are or were at any time directors, officers or employees of any Relevant Company (as defined in Article 105(B) below); or
  - (ii) any persons who are or were at any time trustees of any pension fund or employee's 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 or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).

- (B) For the purposes of paragraph 105(A) above "**Relevant Company**" shall mean:

- (i) the Company;
- (ii) any parent undertaking of the Company; or

- (iii) any other body, whether or not incorporated, in which the Company or such parent undertaking or any of the predecessors of the Company or of such parent undertaking has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company.

#### DIRECTORS HOLDING EXECUTIVE OFFICE

##### **Directors holding executive office**

106. The directors may from time to time appoint any one or more of their body to be holder of any executive office for such period and on such terms and with or without such title or titles (including but not limited to chairman, deputy chairman, vice-chairman, managing director, joint or deputy or assistant managing director or otherwise) as they think fit. A director holding any such office (whether appointed as aforesaid or otherwise) shall (subject to the terms of any contract between him and the Company) be subject to the same provisions as to retirement by rotation, resignation and removal as the other directors of the Company and if he shall vacate the office of director or (subject as aforesaid) if the directors resolve that his term of office as holder of such executive office as aforesaid be determined, his appointment as such shall ipso facto determine.

##### **Executive emoluments**

107. A director appointed to any such office shall receive such remuneration (whether by way of salary, provision for retirement or insurance benefit, or partly in one way and partly in another, or otherwise) as the directors may determine.

##### **Grant of powers to directors**

108. The directors may entrust to and confer upon any director appointed to any such office any of the powers exercisable by them as directors, other than the power to make calls or forfeit shares, 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.
109. Deleted.

#### VACATION OF OFFICE

110. Deleted.

##### **Vacation of office**

111. The office of a director shall be vacated in any of the following events, namely:-
- (A) if (but in the case of a director holding any executive office subject to the terms of any contract between him and the Company) he resigns his office by notice in writing sent to or left at the Office;
- (AA) if he has retired at an annual general meeting in accordance with Article 112 or otherwise, and is not deemed to be re-appointed in accordance with Article 114;

- (B) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (C) if he becomes incapable by reason of insanity of carrying out his duties;
- (D) if he is absent from meetings of the directors for six successive months without leave, and his alternate director (if any) shall not during such period have attended in his stead, and the directors resolve that his office be vacated;
- (E) if he ceases to be a director by virtue of or becomes prohibited from being a director by reason of any order made under any provisions of the Statutes or any other applicable law; or
- (F) on notice signed by all the other directors, provided that if the director shall, on being so removed, hold an executive office which shall terminate on his ceasing to be a director, such removal shall be treated as an act of the Company and shall be effective, but without prejudice to any claim for damages for breach of any contract of service between the director and the Company.

#### ROTATION OF DIRECTORS

##### **Retirement by rotation**

- 112. Subject to the provisions of these Articles, at the annual general meeting in every year each director who was elected or last re-elected at a general meeting held in the third calendar year immediately before the calendar year in which the annual general meeting is held, or who was elected or last re-elected at such later general meeting as the directors may resolve, shall retire from office. A director retiring at the annual general meeting in accordance with this Article shall remain in office until the conclusion of that meeting.
- 113. Deleted.

##### **Filling of office vacated by rotation**

- 114. The Company at the meeting at which a director retires in the manner aforesaid may fill up the vacated office by appointing a person thereto, and in default the retiring director, if willing to act, shall be deemed to have been re-appointed, unless at such meeting it is expressly resolved not to fill the vacancy, or a resolution for the reappointment of such director shall have been put to the meeting and lost.

##### **Eligible directors**

- 115. No person other than a director retiring at the meeting shall, unless recommended by the directors for appointment, be eligible for appointment to the office of director at any general meeting unless, not less than seven nor more than forty-eight days before the day appointed for the meeting, there shall have been given to the Company notice in writing signed or authenticated in accordance with Article 170 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 appointment, and also notice in writing signed

or authenticated in accordance with Article 170 by the person to be proposed of his willingness to be appointed.

**Method of appointment**

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

**Company's powers to alter numbers and determine rotation**

117. The Company may from time to time by ordinary resolution increase or reduce the number of directors, and may also determine in what rotation such increased or reduced number is to retire from office.

**Directors' power to appoint directors**

118. The directors shall have power at any time, and from time to 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 at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Subject to the provisions of the Companies Acts and of these Articles, any director so appointed shall retire at the conclusion of the next following annual general meeting, and shall be eligible for re-appointment at that meeting. Any director who retires under this Article shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

**Power to remove Directors**

119. Without prejudice to the provisions of the Companies Acts the Company may by ordinary resolution of which special notice has been given remove a director before the expiration of his period of office (but such removal shall be without prejudice to any claim such director may have for breach of any contract of service between him and the Company) and may, by ordinary resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was appointed or re-appointed a director.

PROCEEDINGS OF DIRECTORS

**Board meetings**

120. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Meetings of directors may take place in any part of the world and may take place by telephonic means, conference telephone, video link or any other audio or visual or audio-visual communication notwithstanding that the directors present by any such means of communication may not all be meeting in the same place; provided that each director shall be able to take part in the meeting and correspond or interact with the other directors simultaneously.

121. A director who shall be able to take part in any meeting of the directors which shall take place pursuant to Article 120 shall be treated as being present at such meeting and accordingly shall be entitled to vote and be counted towards a quorum.
122. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A director who is also an alternate director shall be entitled to a separate vote on behalf of the director he is representing and in addition to his own vote. A director may, and the Secretary on the requisition of a director shall, at any time 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.

**Proxy votes at board meetings**

123. A director who is unable to attend any meeting of the directors and has not appointed an alternate director may authorise any other director to vote for him at the meeting, and in that event the director so authorised shall have a vote for each director by whom he is so authorised in addition to his own vote. Any such authority must be in writing or by cable, telex, radiogram, telegram or facsimile, which must be produced at the meeting at which the same is to be used, and be left with the Secretary for filing.

**Quorum at board meetings**

124. The quorum necessary for the transaction of the business of the directors may be fixed by the directors, and unless so fixed at any other number shall be two. For the purposes of this Article alternate directors shall be counted in a quorum, but so that not less than two individuals shall constitute the quorum. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the directors.

**Minimum number**

125. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their body, but if and so long as the number of directors is reduced below the minimum number fixed by or in accordance with these Articles, or below the number fixed by or pursuant to these Articles as the quorum of directors, the continuing directors or director may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company, but not for any other purpose. If there be no directors or director able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

**Chairman of board**

126. (A) The directors may, from their number, from time to time elect and remove a chairman and, if thought fit, one or more deputy chairmen and/or vice-chairmen and determine the period for which they are to hold office. The chairman, or in his absence the deputy chairman (to be chosen, if there be more than one, by agreement amongst themselves or, failing agreement, by lot), or in the absence of any deputy chairman the vice-chairman (to be chosen, if there be more than one, as aforesaid), shall preside at all meetings of the directors, but if no such chairman, deputy chairman or vice-chairman be elected, or if at any meeting neither the chairman nor any deputy chairman or vice-chairman be present within five minutes after the

time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

- (B) The directors may from time to time appoint one or more persons from among the directors and advisory directors of the Company to be a president or presidents of the Company and may determine the period for which any such person or persons is or are to hold office.

**Written board resolution**

- 127. A resolution in writing is adopted when all directors entitled to vote on such resolution have (a) signed one or more copies of it or (b) otherwise indicated their agreement in writing and shall be treated as effective as a resolution passed at a meeting of the directors duly convened and held, and may consist of several documents in the same or similar form. A written board resolution is not adopted if the number of directors who have signed it is less than the quorum for directors' meetings.

**Committees**

- 128. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the directors. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors, so far as the same are applicable and are not superseded by any regulations imposed by the directors under this Article.

**Defects in appointment**

- 129. All acts done by any meeting of directors, or of a committee of directors or by any person acting as a member of any such committee or sub-committee, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such director, or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a director and had been entitled to vote.

**MINUTES AND BOOKS**

**Minutes and books**

- 130. The directors shall cause minutes to be made:-
  - (A) of all appointments of officers made by the directors;
  - (B) of the names of the directors present at each meeting of directors and of any committee of directors;
  - (C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the directors and of committees of directors; and
  - (D) of all resolutions and proceedings at all meetings of local boards and committees.

Any such minutes if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next following meeting, shall be evidence of the proceedings.

**Looseleaf books**

131. Subject as required by law any register, index, minute book or accounting records required by these Articles or by law to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner whether or not in a legible form. In any case in which bound books are not used, the directors shall take adequate precautions for guarding against, and for facilitating the discovery of, falsification.

**SECRETARY**

**Secretary**

132. The Secretary shall be appointed by the directors on such terms and for such period as they may think fit, and the directors may also appoint one or more assistant or deputy secretaries. Any Secretary or assistant or deputy 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.

**Absence of Secretary**

133. Anything by the Companies Acts required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no such secretary capable of acting, be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary, or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the directors; provided that any provision of the Companies Acts or of these Articles requiring or authorising a thing to be done by or to a director and the Secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the Secretary.

**THE SEAL**

**Seal**

134. The directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of a resolution of the directors or of a committee of the directors authorised in that behalf by the directors. The directors may from time to time make such regulations as they see fit (subject to the provisions of these Articles in relation to share certificates and other certificates of title) determining the persons and the number of such persons who shall sign every instrument to which the Seal is affixed or determining that, to the extent permitted by the Companies Acts or other legislation, specific documents or documents of specific descriptions can be printed in any way with a copy or representation of any signatures which may be made or produced mechanically, electronically or in any other way the directors deem fit, and until otherwise so determined (and subject as aforesaid) every such instrument shall be signed by one director and shall be countersigned by the Secretary or by a second director.



**Registrar's Seal**

135. The Company may have a duplicate seal for use by the Company's registrars but such duplicate seal shall only be used for such purposes and subject to such conditions as shall be authorised or imposed by the directors. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal as aforesaid.
136. Deleted.

**Execution as a deed**

137. Where the Companies Acts so permit any instrument signed by (i) one director and the Secretary; or (ii) two directors or (iii) a director in the presence of a witness who attests the signature, shall have the same effect as if executed under the Seal; provided that no instrument shall be signed pursuant to this Article which shall make it clear on the face of such instrument that the instrument is intended by the person or persons making the instrument to have effect as a deed without the prior authority of the directors.

**AUTHENTICATION OF DOCUMENTS**

**Authentication**

138. Any director or the Secretary or any person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the directors or any committee of the directors, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes are or extract is a true and accurate record of proceedings at a duly constituted meeting.

**DIVIDENDS**

**Power to apply profits**

139. (A) The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly.
- (B) (i) The directors may at their discretion and subject to the provisions of this Article decide at the same time as they resolve to announce the intention to pay or (in the case of a final dividend) they resolve to recommend any dividend on the Ordinary Shares that each holder of Ordinary Shares shall have the option to elect not to participate in such dividend and to receive instead an issue of Ordinary Shares credited as fully paid to the extent and within the limits and on the terms and conditions set out below.

(ii) If the directors resolve to make such option available in relation to any dividend each holder of ordinary shares (whether fully or partly paid) may, by notice in writing to the Company (hereinafter called "a Notice of Election") given in such form and within such period as the directors may from time to time decide (which for the avoidance of doubt may include a perpetual election subject to revocation), elect not to receive (subject as provided in paragraph (iii) of this sub Article (B)) the dividend which otherwise would have been paid to him in cash as such dividend on all or so many of his Ordinary Shares as he shall specify in the Notice of Election and to receive in place thereof additional Ordinary Shares to be issued and allotted to him, credited as fully paid, so that the number of Ordinary Shares so issued and allotted shall be the whole number (fractions of a share being treated in accordance with paragraph (v) of this sub Article (B)) determined by

$$\frac{A \times B}{C}$$
 means of the formula  $\frac{A \times B}{C}$  where:-

A equals the number of Ordinary Shares in respect of which such election has been made;

B equals the amount of the cash dividend without tax credit payable on one Ordinary Share as if no such election had been made (expressed in terms of pence and fractions of a penny) less any amount (hereinafter called the "non-electable amount") of such dividend (if any) per share to which the directors have pursuant to paragraph (iii) of this sub Article (B) resolved that the right of election conferred on holders of Ordinary Shares by the provisions of this paragraph (ii) shall not apply; and

C equals the greater of:-

(a) the nominal value of an Ordinary Share; and

(b) the arithmetical average of the middle market quotations of one Ordinary Share (expressed in terms of pence and fractions of a penny) as shown in the Daily Official List published by The London Stock Exchange for the five business days in respect of which such List is published beginning with the business day on which the Ordinary Shares are first shown in such List as quoted on The London Stock Exchange ex the relevant dividend (or, if the directors think fit, beginning with the first such business day following the day on which the directors announce an intention to pay or a recommendation of the relevant dividend on the Ordinary Shares but adjusted (except in respect of any such day on which the Ordinary Shares are quoted on

The London Stock Exchange ex the relevant dividend) in arriving at each such daily middle market quotation by deducting the cash amount (including any non-electable amount) of such dividend per share).

- (iii) The right of election conferred on holders of Ordinary Shares by the provisions of paragraph (ii) of this sub Article (B) shall not apply to any amount of dividend per share as the directors in their sole discretion may resolve. Without prejudice to the foregoing, if the directors so determine, a Notice of Election shall provide that in the event of the relevant dividend, or if more than one then any one or more of them, being paid in an amount less than that which the directors have announced an intention to pay or recommend for payment such Notice of Election shall be invalid, and upon the happening of any such event (the directors having determined as aforesaid and the Notice of Election providing as aforesaid) such Notice shall be treated as if the same had never been given and was of no effect.
- (iv) Following the receipt of a Notice or Notices of Election pursuant to paragraph (ii) of this sub Article (B) the directors shall appropriate out of the undistributed profits or reserves of the Company (including share premium account) an amount equal to the aggregate nominal amount of the number of Ordinary Shares determined pursuant to paragraph (ii) of this sub Article (B) to be allotted and issued credited as fully paid to those holders of Ordinary Shares who shall have given Notices of Election as aforesaid ("the Electing Shareholders") and shall capitalise such amount and apply the same in paying up in full at par the number of Ordinary Shares required to be allotted and issued to the Electing Shareholders, such shares to be allotted and issued and distributed credited as fully paid to the Electing Shareholders in the proportions provided for by this Article. The Ordinary Shares so allotted and issued to the Electing Shareholders shall rank in full for all dividends on the Ordinary Shares declared after the date of such allotment and issue (other than in respect of the dividend or dividends in place of which they were allotted) and in all other respects shall form one uniform class with the fully paid Ordinary Shares of the Company in issue at the time of such allotment and issue and the directors shall have power to authorise any person on behalf of the Electing Shareholders to enter into an agreement with the Company providing for the allotment and issue to them of the Ordinary Shares to which the Electing Shareholders are entitled in place of the dividend in which they have elected not to participate and any agreement made under such authority shall be effective and binding on all members. The powers given to the directors by this Article are additional to the provisions for capitalisation of profits or reserves provided for by Article 156.

- (v) No fraction of any share shall be allotted. The directors may make such provisions as they think fit for any fractional entitlements including provisions whereby (a) in whole or in part, the benefit thereof accrues to the Company and/or (b) fractional entitlements are accrued and or retained and in each case accumulated on behalf of any holder of Ordinary Shares and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on his behalf of fully paid Ordinary Shares.
- (vi) The directors shall not exercise the power conferred on them by paragraph (i) of this sub Article (B) unless the Company has or, at the time when Ordinary Shares would fall to be issued pursuant to any elections which could be made under the terms of this Article, in the opinion of the directors will have sufficient new share capital capable of issue as Ordinary Shares and sufficient undistributed profits or reserves to give effect to any such elections.
- (vii) The directors shall not exercise during any Relevant Period (as hereinafter defined) the power conferred on them by paragraph (i) of this sub Article (B) in respect of any dividend which they announce their intention to pay or to recommend unless the Company shall by ordinary resolution passed at the annual general meeting on which the Relevant Period in question commences, have approved the use of that power in respect of any such announcement by the directors in such Relevant Period. For this purpose a Relevant Period shall be a period commencing on the day for which an annual general meeting is convened and ending on the day for which the sixth following annual general meeting is convened.
- (viii) Any Notice of Election completed in part or whole prior to the coming into effect of this Article but otherwise valid and effective shall be treated as valid and effective.
- (ix) The directors may, from time to time, determine that rights of election shall be subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to legal or practical problems under the laws of or the requirements of any recognised regulatory body or any stock exchange in any territory or as a result of shares being represented by American Depository Shares or Global Depository Shares or other instruments and in such event the provisions aforesaid shall be read and construed subject to such determination. In addition the directors may, in their absolute discretion and at any time, suspend or terminate the right to exercise any option or any election already made notwithstanding that a Notice of Election may have been received by the Company.
- (x) Unless the directors decide otherwise or the Regulations or the rules of a relevant system require otherwise, any Ordinary Shares which a member has chosen to receive pursuant to a Notice of Election will be uncertificated

shares if the corresponding shares held by that member were uncertificated shares on the record date for that dividend and certificated shares if the corresponding shares held by that member were certificated shares on the record date for that dividend.

**Record date**

140. Notwithstanding any other provision of these Articles, the directors may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

**Limits on dividend**

141. No dividends shall be payable otherwise than in accordance with the Companies Acts and out of the profits of the Company available for that purpose, and no dividend shall exceed the amount recommended by the directors.

**Quantification of dividend**

142. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it shall carry any particular rights as to dividend, such share shall rank for dividend accordingly.

**Interim dividends**

143. The directors may if they think fit from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company and are permitted by the Companies Acts. If at any time the share capital of the Company is divided into different classes, the directors may (subject to the provisions of the Companies Acts) pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and the directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment and if and to the extent that such payment is permitted by the Companies Acts. Provided the directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.

**Pre-acquisition profits**

144. Subject to the provisions of the Companies Acts or as otherwise required by law, where any asset, business or property is bought by the Company as from a past date, whether such date be before or after the incorporation of the Company, the profits and losses thereof as from such date may at the discretion of the directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities

are purchased cum dividend or interest, such dividend or interest may at the discretion of the directors be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.

**Deductions from dividends**

145. The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

**Retention of dividends**

146. 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.

**Unclaimed dividends**

147. (A) All unclaimed dividends may be invested or otherwise made use of by the directors for the benefit of the Company until claimed and the payment of any such dividend into a separate account or the investment of such dividend shall not constitute the Company a trustee in respect thereof. No dividend shall bear interest as against the Company.

(B) In the event that:

- (i) a payee does not specify an address, or does not nominate an account (of a type approved by the directors), or specify other details necessary in order to make a payment of a dividend or other sum payable on or in respect of a share by the means by which the directors have decided in accordance with these Articles that a payment is to be made, or by which a payee has elected to receive payment, and such address or details are necessary in order for the Company to make the relevant payment in accordance with such decision or election, or
- (ii) if a payment cannot be made by the Company using the details provided by the payee (including as a result of the payment to the nominated account being rejected or refunded),

then the dividend or other distribution shall be treated as unclaimed for the purposes of these Articles.

- (C) Any dividend which has remained unclaimed for a period of twelve years from the date of payment thereof shall at the expiration of that period be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely. The Company shall not be liable in any respect, nor be required to account to the relevant member or person entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law to such dividends or other moneys and the Company shall be entitled to use such dividends for the Company's benefit or in any such manner that the directors may, from time to time, determine.

(D) If the Company sells shares in accordance with Article 46 any dividend or other sum that has not been cashed or claimed by a member (or person entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law to such dividends or sums) shall be forfeited and shall revert to the Company when such shares are sold. The Company shall be entitled to use such uncashed or unclaimed dividends or other sum for the Company's benefit or in any such manner that the directors may, from time to time, determine.

**Method of  
paying dividends**

148. Any dividend or other moneys payable on or in respect of a share may be paid (i) by cheque or warrant or any similar financial instrument sent through the post to the registered address of the member or person entitled thereto and in the case of joint holders to any one of such joint holders, or to such person and such address as the holder or joint holders may in writing direct; (ii) in the case of uncertificated shares by using a relevant system (subject to the facilities and requirements of the relevant system); or (iii) by bank transfer or transfer by any electronic means or such other means as the directors may decide to an account (of a type approved by the directors) nominated by the member or person entitled thereto and in the case of joint holders any one of such joint holders in writing or in such other manner as the directors may decide. Different methods of payment may apply to different members or groups of members. Every such cheque or warrant or similar financial instrument or payment made by a relevant system or bank transfer or transfer by any electronic means or other means shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of the cheque or warrant or payment made by a relevant system or bank transfer or transfer by any electronic or other means shall be a good discharge to the Company. Every such cheque or warrant or similar financial instrument or payment made by a relevant system or bank transfer or transfer by any electronic or other means shall be sent at the risk of the person entitled to the money represented thereby.
149. The Company shall be entitled to cease sending dividend cheques or warrants or similar financial instruments to a member or person entitled thereto, if, on three or more consecutive occasions, such cheques or warrants or similar financial instruments shall have been returned to the Company or shall remain uncashed; provided that if the member or person entitled to any cheque or warrant or similar financial instrument notifies the Company of such entitlement the Company shall send such cheque or warrant to such member or person.

**Joint  
holders**

150. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

**Dividends paid  
in specie**

151. A general meeting declaring a dividend may, upon the recommendation of the directors, direct payment of such dividend wholly or in part by the distribution of non-cash assets, or by procuring the receipt by members of non-cash assets, and in particular of paid up shares, debentures or other securities or rights of any other company, and the directors shall

give effect to such resolution; and where any difficulty arises in regard to the distribution the directors may settle the same as they think expedient, and in particular may authorise any person to sell or transfer any fractional entitlements (or ignore any fractional entitlements altogether), and may fix the value for distribution of such non-cash assets, or any part thereof, and may determine that cash payments shall be made to any distribution recipient upon the footing of the value so fixed in order to secure equality of distribution, and may vest any non-cash assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the directors, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates or any part thereof and otherwise as they think fit.

**Waiver of dividends**

152. The waiver, in whole or in part, of any dividend payable on any share contained in any notice shall be validly executed if the waiver shall be signed or authenticated in accordance with Article 170, by the holder or any joint holder of the share (or the person or persons entitled to the share in consequence of the death or bankruptcy of the holder of the share or otherwise by operation of law) and shall be received by the Company. To the extent of the waiver contained in the notice (and not revoked prior to its taking effect) the waiver shall thereupon be acted upon by the Company.
153. Deleted.

**DISTRIBUTION OF CAPITAL GAINS**

**Distribution of capital gains**

154. Notwithstanding anything in any other of these Articles (but subject to the provisions of the Companies Acts), the Company may by ordinary resolution on the recommendation of the directors determine that any realised accretion of capital assets shall be divided among the members in proportion to the amounts paid up on the Ordinary Shares held by them respectively.

**CAPITALISATION OF PROFITS AND RESERVES**

**Capitalisation of profits and reserves**

155. (A) The Company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalise any undivided profits of the Company standing to the credit of the profit and loss account or otherwise and available for distribution (not being required for the payment of fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits) and accordingly, unless it is resolved otherwise, that the directors be authorised and directed to appropriate the profits resolved to be capitalised to the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them on the date that the resolution is passed in accordance with this Article 155(A) or such other date as set out in or calculated in accordance with such resolution, or in such other proportions as stated, or fixed as stated, in the resolution, on condition that the same be not paid in



cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full new shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportions aforesaid, or partly in the one way and partly in the other, and the directors shall give effect to such resolution, save that the directors shall be entitled to exclude or restrict the right of members where this is necessary or appropriate to deal with legal or practical problems and the laws of any territory, or under the requirements of any recognised regulatory body or stock exchange in any territory. For the purposes of this Article 155(A), unless it is resolved otherwise, if the Company holds treasury shares on the date determined in accordance with this Article 155(A), it shall be treated as a holder of Ordinary Shares and all Ordinary Shares held by it as treasury shares shall be included in determining the proportions in which the capitalised sum is set aside.

- (B) The Company in general meeting may upon the recommendation of the directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any reserve account of the Company (including its share premium account and capital redemption reserve) or its profit and loss account and not available for distribution by applying such sum in paying up in full new shares to be allotted as fully paid bonus shares to those holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them on the date that the resolution is passed in accordance with this Article 155(B) or such other date as set out in or calculated in accordance with such resolution, or in such other proportions as stated, or fixed as stated, in the resolution. For the purposes of this Article 155(B), unless it is resolved otherwise, if the Company holds treasury shares on the date determined in accordance with this Article 155(B), it shall be treated as a holder of Ordinary Shares and all Ordinary Shares held by it as treasury shares shall be included in determining the proportions in which the capitalised sum is set aside.

**Procedure on capitalisation**

156. Whenever a resolution shall have been passed in accordance with Article 155, the directors shall make all appropriations and applications of the profits or sum resolved to be capitalised thereby, and (subject to the provisions of the Companies Acts) all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, or to make provision whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned, and also to authorise any person to enter on behalf of all the members entitled to the benefit of such appropriations and applications into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such members.

## ACCOUNTS

### **Accounting records**

157. The directors shall cause accounting records to be kept and preserved in accordance with the Companies Acts. The accounting records shall be kept at the Office, or (subject to the provisions of the Companies Acts) at such other place as the directors think fit, and shall always be open to inspection by the directors. No member (other than a director) shall have any right of inspecting any account or book or document of the Company (or any reproduction in legible form of any such account, book or document kept in accordance with the Companies Acts otherwise than in legible form) except as conferred by statute or authorised by the directors or by the Company in general meeting.

### **Accounts**

158. The directors shall from time to time, in accordance with the provisions of the Companies Acts, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Companies Acts.

### **Auditors' report**

159. The auditors' report shall be read before the Company in general meeting and shall be open to inspection as required by the Companies Acts.

### **Right to receive accounts**

160. A copy of the Company's annual accounts and reports which are to be laid before the Company in general meeting (including every document required by law to be attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member and to 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, to more than one of joint holders or to any person who is not entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever listing on The London Stock Exchange for all or any of the shares or debentures of the Company shall for the time being be in force, there shall be forwarded to the appropriate office of The London Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

### **Accuracy of accounts**

161. Every account of the Company, when audited and approved by an annual general meeting, shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever such an error is discovered within that period, the account shall forthwith be corrected and thereupon shall be conclusive.

## AUDITORS

### **Auditors**

162. Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes.

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.

**Periodic accounts**

163. In respect of each financial year of the Company the accounts of the Company shall be examined and the correctness of the balance sheet, profit and loss account and group accounts (if any) ascertained by an auditor or auditors.

**Rights of auditors**

164. (A) The auditor or auditors shall be entitled to attend any general meeting and to receive 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 or them as auditor or auditors.
- (B) The Company shall comply with the provisions of the Companies Acts relating to the sending of copies of special notices of certain resolutions concerning changes of auditors and to the giving notice of, and circulating to members, representations made by auditors retiring or proposed to be removed.

COMMUNICATIONS WITH MEMBERS

**How notice is given**

165. (A) The Company may, subject to and in accordance with the Companies Acts and these Articles, send or supply all types of notices, documents or information to members by electronic means and/or including by making such notices, documents or information available on a website.
- (B) The Company Communications Provisions have effect for the purposes of any provision of the Companies Acts or these Articles that authorises or requires notices, documents or information to be sent or supplied by or to the Company.
- (C) Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed, shall be deemed to have been received by the intended recipient at the expiration of 24 hours after the time it was posted (or 48 hours where first class mail or an equivalent service is not employed for members with a registered address in the UK). In proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted.
- (D) Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

- (E) Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- (F) The accidental failure to send or subsequent late sending of, or non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.
- (G) The provisions of this Article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

**Joint Holders**

166. (A) Anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the register of members in respect of the share.
- (B) Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the register of members in respect of the share, to the exclusion of the other 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 may, subject to the Statutes, be disregarded.
- (C) The provisions of this Article shall have effect in place of the Company Communications Provisions regarding joint holders of shares.

**Deceased and Bankrupt Members**

167. (A) A person who claims to be entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall supply to the Company: (i) such evidence as the directors may reasonably require to show his title to the share, (ii) an address at which notices may be sent or supplied to such person, whereupon he shall be entitled to have sent or supplied to him at such address any notice, document or information to which the said member would have been entitled. Any notice, document or information so sent or supplied shall for all purposes be deemed to be duly sent or supplied to all persons interested (whether jointly with or as claiming through or under him) in the share.
- (B) Save as provided by Article 167(A), any notice, document or information sent or supplied to the address of any member 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 sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder.

(C) The provisions of this Article shall have effect in place of the Company Communications Provisions regarding the death or bankruptcy of a holder of shares in the Company.

**Overseas Members**

168. The Company shall not be required to send notices, documents or information to a member who (having no registered address within the United Kingdom) has not supplied to the Company a postal address within the United Kingdom, or an electronic address, for the service of notices.

**Suspension of Postal Services**

169. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable to give notice by post in hard copy form of a general meeting, such notice shall be deemed to have been given to all members entitled to receive such notice in hard copy form if such notice is advertised in at least one national newspaper and such notice shall be deemed to have been given on the day when the advertisement appears. In any such case, the Company shall (i) make such notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof and (ii) send confirmatory copies of the notice by post to such members if at least seven days prior to the meeting the posting of notices again becomes practicable.

**Signature or authentication of documents sent by electronic means**

170. Where these Articles require a notice or other document to be signed or authenticated by a member or other person then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner as may be approved by the directors. The directors may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

**Statutory provisions as to notices**

171. Nothing in any of the preceding seven Articles shall affect any provision of the Statutes that requires or permits any particular notice, document or information to be sent or supplied in any particular manner.

**Administration**

171A. The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

**DESTRUCTION OF DOCUMENTS**

**Procedure for destruction of documents**

172. (A) Subject to compliance with the rules (as defined in the Regulations) applicable to shares of the Company in uncertificated form, the Company shall be entitled to destroy:

- (i) all instruments of transfer and any other documents which shall have been registered or on the basis of which registration shall have been made at any time after the expiration of six years from the date of registration thereof;
- (ii) all dividend mandates and any variation or cancellation thereof and notifications of change of address at any time after the expiration of two years from the date of recording thereof; and
- (iii) all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof.

(B) It shall conclusively be presumed in favour of the Company that:

- (i) 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;
- (ii) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- (iii) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
- (iv) 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.

(C) For the purpose of this Article, the foregoing provisions shall apply only to the destruction of documents in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant. The Company shall have no liability whatsoever for any loss howsoever arising in respect of any document destroyed by the Company in accordance with this Article. If the documents relate to uncertificated shares, the Company should also comply with any rules (as defined in the Regulations) which limit its ability to destroy documents. Any document referred to above may, subject to the Companies Acts and any other legislation, be destroyed before the end of the relevant period so long as a copy of such document (whether made electronically, by microfilm, by digital imaging or by any other means) has been made and is retained until the end of the relevant period. References herein to the destruction of any document include references to the disposal thereof in any manner.

173. Deleted.

#### INDEMNITY

#### **Indemnity**

174. (A) Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts, rules made by the FCA or other legislation, every director and officer of the Company and of each Associated Company of the Company shall (subject to the

discretion of the Company where such Company or Associated Company of the Company is an occupational pension scheme) be indemnified by the Company out of the Company's own funds against:

- (i) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company of the Company in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers other than (a) any liability to the Company or any Associated Company of the Company and (b) in relation to a director of the Company or any Associated Company of the Company and, if the Company in its discretion considers appropriate, in relation to an officer of the Company or any Associated Company of the Company, any liability of the kind referred to in Sections 234(3) of the Companies Act 2006; and
- (ii) any other liability incurred by or attaching to 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.

Such indemnity shall extend to liabilities arising after a person ceases to be a director or an officer in respect of acts or omissions while he was a director or an officer.

- (B) Subject to the provisions of, and so far as may be permitted by and consistent with, the Companies Acts, rules made by the FCA or other legislation, every director of the Company and of each Associated Company of the Company which is a trustee of an occupational pension scheme (within the meaning of Section 235(6) of the Companies Act 2006) may be indemnified by the Company out of the Company's own funds against any liability incurred by or attaching to him/her in connection with any negligence, default, breach of duty or breach of trust by him/her in so far as such liability relates to the Company's or any such Associated Companies' activities as trustee of such occupational pension scheme other than any liability of the kind referred to in Sections 235(3) of the Companies Act 2006.
- (C) Where a director or an officer is indemnified against any liability in accordance with this Article, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.
- (D) In this Article "Associated Company" shall have the meaning given thereto by Section 256 of the Companies Act 2006.

**Defence expenditure**

175. (A) Subject to the provisions of and so far as may be permitted by the Statutes and rules made by the FCA, the Company shall (subject to the discretion of the Company in the case of a director or officer of a Company or Associated Company of the Company which is an occupational pension scheme):

- (i) provide a director or former director or officer of the Company or of any Associated Company of the Company with funds to meet the expenditure incurred or to be incurred by him in:
    - (a) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company of the Company; or
    - (b) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006; and
  - (ii) do such things to enable any such director or officer to avoid incurring such expenditure.
- (B) Any provision of funds or other things done under Article 175(A) shall:
- (i) in relation to director or former director of the Company, be subject to the terms set out in Section 205(2) of the Companies Act 2006; and
  - (ii) in relation to an officer of the Company, be on such terms as the Company, in its discretion, considers appropriate.
- (C) Subject to the provisions of and so far as may be permitted by the Statutes and rules made by the FCA, the Company shall (subject to the discretion of the Company in the case of a director or officer of a Company or Associated Company of the Company which is an occupational pension scheme):
- (i) provide a director or former director or officer of the Company or any Associated Company of the Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company of the Company; and
  - (ii) do such things to enable any such director or officer to avoid incurring such expenditure.
- (D) In this Article “Associated Company” shall have the meaning given thereto by Section 256 of the Companies Act 2006.



## Table of Contents

DESCRIPTION	ARTICLE	PAGE NO
<b>Preliminary</b>		
Model Articles and Table A not to apply	1	1
Interpretation	2	1
<b>Capital</b>		
Ordinary Shares	5(A)	4
Income	5(A)(i)	4
Capital	5(A)(ii)	4
Voting	5(A)(iii)	4
Liability	5(B)	4
Rights attached to shares	6	4
<b>Variation of Rights</b>		
How share rights may be varied	7	5
Creation or issue of further shares	8	5
<b>Shares</b>		
Purchase of own shares	9	5
Power to pay commissions	11	6
Exclusion of equities	12	6
<b>Certificates</b>		
Uncertificated Shares	13(A)	6
Right to receive certificates	13(B)	7
Signature on certificate	13(C)	8
Replacement of share certificates	14	8
<b>Calls on Shares</b>		
Power to make calls	15	8
Provisions relating to calls	16	9
Interest on calls	17	9
Sums due on allotment to be calls	18	9
Power to differentiate	19	9
Payment in advance of calls	20	9

**Forfeiture, Surrender and Lien**

Notice to comply with call	21	10
Power to forfeit or accept surrender	22	10
Sale of shares forfeited or surrendered	23	10
Effect on member	24	10
Lien	25	10
Sale of shares subject to lien	26	11
Disposal of proceeds of sale	27	11
Title to shares surrendered, forfeited or sold	28	11

**Transfer of Shares**

Form of transfer	29	11
Signing of transfers	30	11
Power to refuse registration (1)	31	12
Power to refuse registration (2)	32	12
Notice of refusal of registration	33	12
No fee for registration	35	12
Retention of transfers	36	12
Renunciation of allotments	37	12

**Transmission of Shares**

Transmission on death	38	13
Election of successor	39	13
Procedure on election	40	13
Rights of unregistered successors	41	13

**Stock**

Transfer of stock	43	14
Rights of holders of stock	44	14
Provisions applicable to stock	45	14

**Untraced Members**

Sale of Shares	46	14
Transfer of shares	49	15
Proceeds of sale	50	15
Uncertificated Shares of Untraced members	50A	15

**Increase of Capital**

Power to increase capital	51	15
---------------------------	----	----

Form of new capital	52	15
<b>Fractions Arising on Consolidation or Subdivision</b>		
Fractions	53(A)	16
Power to sub-divide	53(B)	16
Distribution to charity	53(C)	16
Power to reduce capital	53(D)	16
<b>General Meetings</b>		
Annual and Extraordinary General Meetings	54	16
Requisitioned meetings	55	17
Postponement of general meetings	55A	17
<b>Notice of General Meetings</b>		
Notice	56	17
Content of notice	57	17
Duty to inform members on requisition	58	18
Omission of notice	59	18
<b>Proceedings at General Meetings</b>		
Special Notice	61	18
Quorum	62	18
Adjournment on lack of quorum	63	18
Chairman of meeting	64	18
Power to adjourn	65	19
Amending resolutions	65A	19
Security arrangements and orderly conduct	65B	20
Satellite meeting places	65C	20
Combined physical and electronic general meetings	65D	21
Attendance at and participation in general meetings	65E	21
Method of voting	66	22
Proxy's right to demand poll	67	23
Incorrect computation of votes	68	23
Method of taking poll	69	23
Where there cannot be a poll	70	23
Timing of poll	70A	23
Other Business	72	23
Withdrawal of poll demand	73	23

Security at meetings	73A	23
Orderly conduct at meetings	73B	24
<b>Votes of Members and Restrictions on Voting</b>		
Voting rights	74(A)	24
Restrictions on Voting	74(B)	24
Votes in respect of joint holders	75	26
No right to vote when call is unpaid	77	26
Objections	78	26
Votes on a poll	79	26
Appointment and rights of proxy	80	27
Form of proxy	81	27
Deposit of proxy	82	27
Incidents affecting validity of proxy	83	28
Circulation of proxy forms	84	29
<b>Corporations Acting by Representatives</b>		
Representatives	85	29
<b>Directors</b>		
Number of directors	86	29
No share qualification required	87	29
Remuneration of directors	88	29
Additional remuneration	89	30
Alternate directors	90	30
Status and remuneration of alternate directors	91	31
Offices of profit	92	31
Directors' contracts	93	31
Authorisation of directors' interests	94	31
Permitted interests	95	32
Directors' interests in relation to quorum and voting	96(A)	33
Confidential Information	96(F)	35
Directors' interests - general	96(G)	36
Power to run pension schemes	97(A)	36
Share option and incentive schemes	97(B)	37
<b>Borrowing Powers</b>		
Power to borrow and secure borrowings	98(A)	38

Restriction of borrowings	98(B)	38
<b>General Powers of Directors</b>		
General power to run business	99	41
Power to delegate locally	100	41
Power to appoint attorneys	101	41
Power to establish branch register	102	42
Delegation of power to make calls as part of security	103	42
Negotiable instruments	104	42
<b>Directors Holding Executive Office</b>		
Directors holding executive office	106	43
Executive emoluments	107	43
Grant of powers to directors	108	43
<b>Vacation of Office</b>		
Vacation of office	111	43
<b>Rotation of Directors</b>		
Retirement by rotation	112	44
Filing of office vacated by rotation	114	44
Eligible directors	115	44
Method of appointment	116	45
Company's powers to alter numbers and determine rotation	117	45
Directors' power to appoint directors	118	45
Power to remove directors	119	45
<b>Proceedings of Directors</b>		
Board meetings	120	45
Proxy votes at board meetings	123	46
Quorum at board meetings	124	46
Minimum number	125	46
Chairman of board	126	46
Written board resolution	127	47
Committees	128	47
Defects in appointment	129	47
<b>Minutes and Books</b>		
Minutes and books	130	47
Loose leaf books	131	48

<b>Secretary</b>		
Secretary	132	48
Absence of Secretary	133	48
<b>The Seal</b>		
Seal	134	48
Registrar’s Seal	135	49
Execution as a deed	137	49
<b>Authentication of Documents</b>		
Authentication	138	49
<b>Dividends</b>		
Power to apply profits	139	49
Record date	140	53
Limits on dividend	141	53
Quantification of dividend	142	53
Interim dividends	143	53
Pre-acquisition profits	144	53
Deductions from dividends	145	54
Retention of dividends	146	54
Unclaimed dividends	147	54
Method of paying dividends	148	55
Joint holders	150	55
Dividends paid in specie	151	55
Waiver of dividends	152	56
<b>Distribution of Capital Gains</b>		
Distribution of Capital Gains	154	56
<b>Capitalisation of Profits and Reserves</b>		
Capitalisation of profits and reserves	155	56
Procedure on capitalisation	156	57
<b>Accounts</b>		
Accounting records	157	58
Accounts	158	58
Auditors’ report	159	58
Right to receive accounts	160	58
Accuracy of accounts	161	58

**Auditors**

Auditors	162	58
Periodic accounts	163	59
Rights of auditors	164	59

**Communication with Members**

How notice is given	165	59
Joint Holders	166	60
Deceased and Bankrupt Members	167	60
Overseas Members	168	61
Suspension of Postal Services	169	61
Signature or authentication of documents sent by electronic means	170	61
Statutory provisions as to notices	171	61
Administration	171A	61

**Destruction of Documents**

Procedure for destruction of documents	172	61
--	-----	----

**Indemnity**

Indemnity	174	62
-----------	-----	----

**Defence Expenditure**

Defence expenditure	175	63
---------------------	-----	----