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THE COMPANIES ACTS

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

C&J CLARK LIMITED

WEDNESDAY



\*R37V7Z1V\*

RM

14/05/2014

#127

COMPANIES HOUSE

(Amended by Special Resolutions passed the 8<sup>th</sup> May 1998, 7<sup>th</sup> May 1999, 4<sup>th</sup> May 2001, 10<sup>th</sup> May 2002, 5<sup>th</sup> May 2006, 4<sup>th</sup> May 2007, 9<sup>th</sup> May 2008, 1<sup>st</sup> October 2008, 8<sup>th</sup> May 2009, 6<sup>th</sup> May 2011 and 2nd May 2014)

TABLE A

Table A	1	The regulations in Table A in the Companies (Tables A-F) Regulations in force at the date of the incorporation of the Company shall not apply to the Company except so far as the same are incorporated in these presents.
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INTERPRETATION

Definitions	2	The marginal notes shall not affect the construction of these presents and in these presents the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context
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WORDS

MEANINGS

*The Statutes*

means the Companies Act 1985 the Companies Act 2006 and every other Act for the time being in force concerning companies and affecting the Company

## **WORDS**

## **MEANINGS**

***The 1985 Act***

means the Companies Act 1985 including any modification or enactment of that Act for the time being in force.

***The 2006 Act***

means the Companies Act 2006 including any modification or enactment of that Act for the time being in force.

***These presents***

means these Articles of Association, as originally framed or as from time to time altered by Special Resolution

***The Office***

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

***The seal***

means the common seal of the Company and includes any official seal kept by the Company by virtue of section 39 or 40 of the 1985 Act

***The United Kingdom***

means Great Britain and Northern Ireland

***The Board***

means the board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.

***Month***

means a calendar month.

***Year***

means a year from 1 January to 31 December inclusive

***In writing***

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether comprised in an electronic form or otherwise, and **written** shall be construed accordingly

***Debenture***

includes debenture stock

**WORDS****MEANINGS**

<b><i>Debenture Holder</i></b>	includes debenture stockholder
<b><i>Secretary</i></b>	includes a temporary or assistant Secretary and any person appointed by the Board to perform the duties of the Secretary
<b><i>Director</i></b>	means a director of the Company
<b><i>Address</i></b>	includes a number or address used for the purposes of sending or receiving documents or information by electronic means
<b><i>Document</i></b>	includes, unless the context otherwise requires, references to a document in electronic form
<b><i>Electronic copy, electronic form and electronic means</i></b>	have the meanings given to them by section 1168 of the 2006 Act
<b><i>Hard copy and hard copy form</i></b>	have the meanings given to them by section 1168 of the 2006 Act
<b><i>Electronic Signature</i></b>	has the meaning given by section 7(2) of the Electronic Communications Act 2000
<b><i>Executed</i></b>	includes being executed under hand or under seal or, in the case of a document in electronic form, by electronic signature
<b><i>Instrument</i></b>	means, unless the contrary is stated, a written instrument having tangible form and not comprised in electronic form
<b><i>Entitled by transmission</i></b>	means, in relation to a share in the capital of the Company, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law.

Words importing the singular number only shall include the plural number and vice versa, and words importing the masculine gender shall include the feminine gender

Subject as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meanings in these presents

#### **PRIVATE COMPANY**

**Private  
Company**

3. The Company is registered as a private Company, and accordingly.
- (a) the right to transfer shares is restricted in a manner hereinafter provided;
  - (b) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited,
  - (c) the Company shall not have power to issue share warrants to bearer.

#### **BUSINESS**

**Directors  
authorised to  
carry on any  
branch of its  
business**

- 4 Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same

**The registered  
office**

5. The Office shall be at such place in England as the Board shall from time to time appoint
- 6 (a) The Company may purchase its Ordinary Shares and make payment in respect of their purchase from its distributable profits, the proceeds of a fresh issue of shares or out of capital
- (b) Notwithstanding any amendment to or variation of the relevant provisions of the 1985 Act, the Company may only exercise its power under paragraph (a) in pursuance of a contract or contracts approved in advance by a Special Resolution of the Company in general meeting
- (c) Any Ordinary Share of the Company purchased by it pursuant to the exercise of its power set out in paragraph (a) above shall, upon such purchase being completed, cease for all purposes to be an issued Ordinary Share in the capital of the Company
- (d) The provisions of Article 29 shall not apply in respect of any purchases by or any transfers to the Company.
- (e) An amount of the authorised but unissued Ordinary Share capital of the Company equal to the nominal amount of Ordinary Shares purchased by the Company pursuant to the exercise of its power set out in

paragraph (a) above shall upon any such purchase being completed, thereupon and without the requirement for any further resolution by the Company, be designated "Reserved Authorised Ordinary Share Capital" and shall, notwithstanding any other provision of these presents to the contrary, only be capable of being issued with the sanction of a Special Resolution of the Company in general meeting

## CAPITAL

7. [No Article]

8 [No Article]

**Issue of shares** 9 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine

**Issue of redeemable preference shares** 10. Subject to the provisions of the Statutes, any shares in the Company may with the sanction of a Special Resolution be issued on the terms that they are to be redeemed or that at the option of the Company they are liable to be redeemed and in either case on such terms and in such manner as the Company before the issue of such shares shall by Special Resolution determine

## MODIFICATION OF RIGHTS

**Alterations of special rights attached to shares** 11. Subject to the provisions of the Statutes, the special rights attached to any class of shares may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders, be varied, abrogated or affected. To every such separate General Meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class and that the holders of shares of the class shall on a poll have one vote for each share of the class held by them respectively and that, if at any adjourned meeting of such holders a quorum as above defined is not present, those of such holders who are present shall be a quorum

**Increase of a class not to be deemed a modification of rights of the class** 12 The special rights conferred upon the holders of the shares of any class issued with preferred or other special rights shall not, unless otherwise expressly provided by the conditions of issue of the shares of that class, be deemed to be modified or affected by the creation or issue of further shares (including shares carrying dividend at a higher rate or entitling

the holders to be paid in a winding up a premium or a larger premium on the capital paid up thereon than the shares already issued or both) ranking *pari passu* therewith

## SHARES

### Allotment of shares

- 13 (a) The shares in the Company for the time being unissued shall be under the control of the Board but, unless otherwise determined by the Company in General Meeting, shall when the Board determines to issue the same be offered in the first instance to all the then Members of the Company holding Ordinary Shares in proportion (as nearly as may be) to the existing Ordinary Shares held by them respectively. Such offer shall be made by notice in writing specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Member to whom such notice is given that he declines to accept the shares offered, the Board may, subject to these presents, dispose of the same to such persons and upon such terms as it thinks most beneficial to the Company. Subject as aforesaid the Board may in like manner dispose of any shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Board be conveniently offered in the manner herein before provided

- (b) [No Article]

### Payment of Commission for placing shares

- 14 The Company (or the Board on behalf of the Company) may exercise the powers of paying commissions conferred by the Statutes, 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 said section and such commission shall not exceed the rate of 10 per cent. of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent. of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company (or the Board on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

### Payment of interest out of capital

15. If any shares of the Company are issued for the purpose of raising money to defray expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company, or the Board on behalf of the Company, may, subject to the conditions and restrictions mentioned in the Statutes, pay interest on so much of such share capital as is for the time being paid up and may charge the same to capital as part of the cost of construction of the works or buildings or the provisions of the plant

- No notice to be taken of trust** 16 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder
- Issue of Share Certificates** 17 Every person whose name is entered as a Member in the register of Members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue of any shares shall provide) one certificate for all his shares or several certificates each for one or more of his shares upon payment of such sum not exceeding one pound for every certificate after the first as the Board shall from time to time determine Every certificate shall be executed under the Seal or in accordance with Article 100 or in such other manner as the Board may approve and shall specify the shares to which it relates and the amount paid up thereon Provided that 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
- Renewal of Share Certificates** 18 If a share certificate be defaced, lost or destroyed it may be renewed on payment of such fee (if any) not exceeding one pound and on such terms (if any) as to evidence and indemnity and the refund of the out-of-pocket expenses of the Company of investigating such evidence as the Board thinks fit.

## **LIEN**

- Extent of Lien** 19 The Company shall have a lien on every share (not being a fully paid share) for all moneys whether presently payable or not called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not The Company's lien and charge (if any) on a share shall extend to all dividends and bonuses payable thereon But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article

**Power of sale** 20. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share

**Application of proceeds of sale** 21. The net proceeds of sale 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 share 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 Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale

#### **CALLS ON SHARES**

**Power to make calls** 22. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, and each Member shall (subject to receiving 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

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

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

**Overdue calls to carry interest** 25. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10 per cent per annum as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part

**Sums payable at fixed times or by instalments payable as calls** 26. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all the purposes of these presents 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 presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

Differentiation  
as regards  
amounts and  
payment of call

- 27 The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment

Payment in  
advance of  
calls

28. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) 10 per cent. per annum, as may be agreed upon between the Board and the Member paying such sum in advance

#### TRANSFER OF SHARES

Transfer of  
shares subject  
to pre-emption  
rights

- 29 (a) (i) Except as hereinafter provided no share in the Company shall be transferred by any Member or other person entitled to transfer the same unless and until the rights of pre-emption hereinafter conferred shall have been exhausted

- (ii) In this Article *the 1999 Facilities* shall mean The C & J Clark Group Employee Share Purchase Facilities, *the 1999 Plan* shall mean the C & J Clark Group 1999 Contributory Plan, *the 1999 Share Scheme* shall mean the C & J Clark Group 1999 Employee Share Scheme, *the Executive Plan* shall mean the C & J Clark Executive Share Plan, *the 1999 Share Trustees* shall mean the trustees for the time being of either the 1999 Plan or the 1999 Share Scheme or both as the context may require, *the SIP* shall mean the C & J Clark Limited All Employee Share Incentive Plan and *the Scheme Trustees* shall mean the trustees of the C & J Clark Executive Share Trust, the Executive Plan or the SIP as the context may require

- (b) The Board shall procure the Auditors or such other firm of chartered accountants as the Company in General Meeting may determine to certify to the Company the fair selling price per share of the Company as at the day preceding that for which each Annual General Meeting has been convened and as at such day within 14 days following publication by the Company of the Chairman's Half Year Report as the Board shall determine and as at such other date or dates as the Board may determine For this purpose, the fair selling price per share shall be such sum as in the opinion of the Auditors or such other firm of chartered accountants as aforesaid a share would fetch if sold as part of a holding comprising

such proportion in nominal value of all the shares then in issue as may be specified in such certificate, by a willing vendor to a willing purchaser, but subject to such of the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares as are applicable to all shares. In so certifying the Auditors or such other firm of chartered accountants as aforesaid shall be deemed to be acting as experts and not as arbitrators. Immediately following the issue of each such certificate to the Company the Board shall by written notice (hereinafter called the **Pricing Notice**) (i) communicate the fair selling price to the Members and (ii) invite any Members or Authorised Person to notify the Company in writing if, in the case of any Member, he wishes to offer any shares for sale pursuant to the arrangements described in paragraph (c) below or, in the case of any Member or any Authorised Person, he wishes to purchase any shares pursuant to the arrangements described in paragraph (d) below (which, in the case of Authorised Persons, shall be subject to paragraph (n))

- (c) Every Member or other person entitled to transfer any of the shares in the Company who wishes to transfer any such shares (such Member or other person as aforesaid being hereinafter called the **Proposing Transferor**) shall give notice in writing within such period, not being less than 21 days from the date of the Pricing Notice, as the Board may determine (hereinafter called a **Transfer Notice**) to the Company of his intention so to do. Such notice shall specify the number of shares which the Proposing Transferor wishes to transfer at the fair selling price and shall constitute the Board and, if applicable, any appointed person (as defined in paragraph (m) below), his agent for the sale of the said shares in one or more lots at the discretion of the Board to the holders of Ordinary Shares of the Company at the fair selling price. A Transfer Notice may not be withdrawn without the permission of the Board. The shares which are the subject of a Transfer Notice are hereinafter called the **Sale Shares**.
- (d) Subject to paragraph (n) below, every Member and Authorised Person who wishes to purchase any shares (a **Non-DRIP Offeree**) shall give notice (hereinafter called a **Purchase Notice**) in writing within such period, not being less than twenty-one days from the date of the Pricing Notice, as the Board may determine, (hereinafter called the **Offer Period**) whether he is willing to purchase any Sale Shares at the fair selling price and if so what maximum number of the said shares. Each Non-DRIP Offeree shall enclose with the Purchase Notice payment, in a manner set out in the Pricing Notice, for the maximum number of Sale Shares he has stated a willingness to purchase at the fair selling price plus an amount equal to any relevant stamp duty payable on the purchase of such shares at such price.

A Member or an Authorised Person who has given a DRIP Notice in accordance with Article 122A (and who has not revoked such notice also in accordance with Article 122A) (a **DRIP Offeree**) shall be deemed to have given a Purchase Notice in respect of such number of Sale Shares (rounded down to the nearest whole number of Sale Shares) as is calculated by dividing (i) the amount standing to the credit of such Member or Authorised Person in the DRIP Account by (ii) the fair selling price of a Sale Share notified to Members and Authorised Persons in the Pricing Notice plus an amount equal to any relevant stamp duty payable on the purchase of such share at such price (such number of Sale Shares being that DRIP Offeree's **DRIP Sale Shares**).

(e) At the expiration of the Offer Period the Board shall allocate the Sale Shares (or such number thereof as shall then have been agreed to be purchased as aforesaid) to or amongst the Non-DRIP Offerees and/or the DRIP Offerees (together, the **Offerees**) who shall have expressed (or who have been deemed to have expressed) their willingness to purchase Sale Shares as aforesaid as follows:

- (i) each DRIP Offeree shall first be allocated his full number of DRIP Sale Shares (subject to there being sufficient Sale Shares),
- (ii) if there are insufficient Sale Shares to complete the allocation in sub-paragraph (i) above in full, such allocation shall be scaled back in a manner which the Board considers most appropriate in its absolute discretion,
- (iii) each Non-DRIP Offeree shall then be allocated 100 Sale Shares or such lesser number of Sale Shares as may be specified in that Non-DRIP Offeree's Purchase Notice (subject to there being sufficient Sale Shares),
- (iv) if there are insufficient Sale Shares to complete the allocation in sub-paragraph (iii) above in full, such allocation shall be scaled back so that each Non-DRIP Offeree is allocated the number of Sale Shares calculated by dividing the aggregate number of Sale Shares by the total number of Non-DRIP Offerees, such that, subject to sub-paragraph (viii) below, each Non-DRIP Offeree receives an equal number of Sale Shares or such lesser number of Sale Shares as may be specified in that Non-DRIP Offeree's Purchase Notice,
- (v) subject as provided in sub-paragraph (viii) below, as between two or more Non-DRIP Offerees who shall have expressed a willingness to purchase all or any of the aggregate number of Sale Shares offered for sale in accordance with the provisions of this Article 29 which have not been allocated pursuant to sub-paragraph (iii) or (iv) above, the same shall be allocated, so far as

practicable, pro rata according to the number of Shares already held by them,

- (vi) subject to sub-paragraphs (vii) and (viii) below, if there are more Sale Shares than Offerees wish (or are deemed to wish) to purchase, the number of Sale Shares to be sold by each Proposing Transferor will be determined by multiplying the number of Sale Shares each Proposing Transferor has offered to sell by the fraction derived from dividing the total number of shares Offerees wish (or are deemed to wish) to purchase by the total number of Sale Shares,
- (vii) if as a result of sub-paragraph (vi) above, a Proposing Transferor who wishes to sell all of his shares would not do so and he would be left with less than 200 shares, the Board may, at its discretion, direct that all of his Sale Shares shall be allocated to Offerees before the Sale Shares offered by other Proposing Transferors and the number of shares to be sold by them shall be adjusted accordingly,
- (viii) if any fraction of Sale Shares would be allocated as a result of the operation of sub-paragraphs (i) to (vii) above, such fractions shall not be allocated, but such entitlements shall be rounded down to the nearest whole number and the number of Sale Shares arising as a result of the aggregation of all such fractions shall be allocated at the discretion of the Board

The Company shall also (i) procure that there is paid to each Proposing Transferor the amount owed to such Proposing Transferor in respect of the Sale Shares to be sold by him pursuant to the arrangements set out herein, (ii) determine the aggregate amount payable by each Offeree to whom Sale Shares have been allocated in respect of the purchase of such shares and any stamp duty thereon (hereinafter called the ***Required Amount***) and (iii) arrange for the payment of such stamp duty on behalf of all such Offerees

Upon such allocation being made the Proposing Transferor shall on payment of the fair selling price transfer the shares so sold to the Offeree or Offerees to or amongst whom the same shall have been allocated and, if he makes default in so doing, the Board and any appointed person may receive and give a good discharge for the purchase moneys on behalf of the Proposing Transferor and may authorise some person to execute a transfer or transfers of such Sale Shares in favour of the Offeree or Offerees concerned and enter his or their name or names in the register of Members as a holder or holders by transfer of the said Sale Shares so purchased by him or them. The purchaser or purchasers shall be registered as the holder or holders of the Sale Shares so sold and he or they shall not be bound to see to the application of the purchase

moneys and his or their title to the Sale Shares shall not be affected by any irregularity or invalidity in the proceeds in reference to the sale. If any Non-DRIP Offeree has made payment of any amount in excess of the Required Amount payable by such Non-DRIP Offeree, the Company shall arrange for such excess to be repaid to such Non-DRIP Offeree as soon as reasonably practicable without interest.

In respect of any DRIP Offeree who has an amount standing to his credit in the DRIP Account in excess of the Required Amount payable by such DRIP Offeree, such amount shall remain standing to his credit in the DRIP Account and shall be utilised in the next sale procedure in accordance with paragraphs (b) to (d) above and this paragraph (e) or until such time as the DRIP Offeree submits a DRIP Revocation Notice.

Where an Offeree has delivered a Purchase Notice in accordance with paragraph (d) above and has also given a DRIP Notice in accordance with Article 122A, the Required Amount payable by such Offeree (who shall be both a Non-DRIP Offeree and a DRIP Offeree) shall first be taken from any amount standing to his credit in the DRIP Account and only once such amounts are reduced to zero shall any additional amount paid by such Offeree be utilised to acquire shares in accordance with this paragraph (e).

- (f) In the event of any such shares remaining unsold at the expiration of the Offer Period the Proposing Transferor may at any time within three months thereafter transfer the shares not so sold to any person or persons at a price not being less than that at which the same were offered to the Offerees but subject nevertheless to such of the restrictions of these presents (other than those contained in this Article) as may be applicable.
- (g) Notwithstanding any of the provisions hereinbefore contained, the Board may, at any time it considers advisable send a written notice (hereinafter called the *Discretionary Sale Notice*) to the Members and the Authorised Persons to invite any Member or Authorised Person to notify the Company in writing if, in the case of any Member he wishes to offer any shares for sale or, in the case of any Member or any Authorised Person, he wishes to purchase (subject to paragraph (n)) any shares at such price (being either the fair selling price last certified under Article 29(b) above or a price which is discounted or increased by no more than 20% from that last fair selling price) as may be specified in the Discretionary Sale Notice and otherwise pursuant to the procedure determined by the Board and set out in the Discretionary Sale Notice. For the avoidance of doubt, the procedure referred to above shall be as close as reasonably possible (having regard to the then prevailing circumstances) to that set out in paragraphs (b)-(e) above and any shares not sold pursuant thereto may be sold pursuant to and in accordance with the provisions of paragraph (f) above.

- (h) A Member who wishes to sell any of his shares may, at any time, by notice (hereinafter called the *Issue Request Notice*) request the Board to circulate a notice (hereinafter called the *Members Sale Notice*) which Members Sale Notice shall (reflecting the details set out in the Issue Request Notice) set out, inter alia, the number of shares to be offered by the Member and the price (as chosen by the Member concerned) at which the Member is willing to sell such shares. Any Issue Request Notice shall be in writing and, unless otherwise determined by the Board, shall be irrevocable once made and upon receipt thereof the Board shall, subject as provided below, circulate the Members Sale Notice. If the Company receives a number of Issue Request Notices at the same time, it may circulate all the resulting Members Sale Notices together or combined in one Members Sale Notice. To the extent applicable, the procedure for the issue and consequences of issue of the Members Sale Notice shall be as close as reasonably possible (having regard to the then prevailing circumstances) to that set out in paragraphs (b)-(e) above (save that Members other than the Member who has served the Issue Request Notice shall not be invited to offer shares for sale) and any shares not sold pursuant thereto may be sold pursuant to and in accordance with the provisions of paragraph (f) above.
- (i) Any Member sending an Issue Request Notice shall, except as provided below or as otherwise determined by the Board in its absolute discretion, be liable to pay the amount determined by the Board to be the direct printing and mailing costs incurred by the Company in preparing and circulating the resulting Members Sale Notice and implementing the arrangements set out therein. The Board shall not be obliged to circulate a Members Sale Notice under paragraph (h) above unless the Member has first paid to the Company an amount equal to the Board's estimate of such direct costs. Notwithstanding any of the above, a Member (or group of Members who together have had one Members Sale Notice sent out by the Board on a single occasion) shall not be liable to pay such direct costs where such Member or Members have requested a Members Sale Notice in respect of a number of shares comprising (in aggregate) more than 0.50 per cent of the Company's issued share capital, as calculated on the day the Issue Request Notice is received by the Company.
- (j) Notwithstanding any of the provisions hereinbefore contained, any shares may be transferred free of the rights of pre-emption herein contained.
- (i) by a Member or his executors or administrators to a spouse or civil partner, widow or widower, ascendant or descendant, son-in-law or daughter-in-law, brother or sister, descendant of a brother or sister, brother-in-law or sister-in-law, uncle or aunt, or spouse or civil partner or son or daughter of an uncle or aunt, of

such Member (any such person being hereinafter referred to as a *relative*) and for the purpose of this sub-paragraph a person who has been adopted pursuant to an adoption order of the court of competent jurisdiction anywhere in the world, shall be treated as if he were the child, ; of the adopter and the adopter shall be treated as an ascendant of such adopted child to the exclusion, of its natural parent and a stepchild shall be deemed to be a descendant and once such always to remain such and a brother or sister of the half blood shall be deemed to be of the whole blood,

- (ii) by a Member or his executors or administrators to the trustees of any settlement which in the opinion of the Board is principally for the benefit of any one or more of them, such Member and his relatives;
- (iii) by the trustees of any settlement which in the opinion of the Board is principally for the benefit of any one or more of them, the settlor and his relatives to a beneficiary thereunder who is a relative of the settlor provided that the settlement is one to which the settlor or his executors or administrators has transferred shares in the Company;
- (iv) by a Member or his executors or administrators to the trustees of, or any participant in, the C & J. Clark Limited Share Participation Scheme constituted by Trust Deed and Rules dated 20 December 1974 provided that the share to be transferred is or is to be comprised in the said scheme and provided that such transfer has been specifically approved by the Board;
- (v) by a Member or his executors or administrators to Street Trustee Family Company to be held by it as nominee for any relative of such Member or for the trustees of any such settlement as is referred to in sub-paragraph (ii) above or by Street Trustee Family Company to any person for whom that Company is holding such share as nominee or to any beneficiary under any settlement which in the opinion of the Board is principally for the benefit of any one or more of them the settlor and his relatives and for the trustees of which it holds such share as nominee provided that such beneficiary is a relative of the settlor and that the settlement is one to which the settlor or his executors or administrators has transferred the beneficial interest in shares in the Company;
- (vi) by the trustees for the time being of any such settlement as is referred to in article 29. (a)(ii), or in sub-paragraph (iii) above, or the scheme referred to in sub-paragraph (iv) above, or of the C & J Clark Executive Share Trust to the continuing and/or new trustees thereof or by the trustees for the time being of any such

settlement to Street Trustee Family Company to be held by it as a nominee for them,

- (vii) by the 1999 Share Trustees for the time being to a participant in the 1999 Plan or the 1999 Share Scheme, or by the Scheme Trustees to a participant in the Executive Plan or the SIP, who in each case is entitled to have any shares registered in his own name or the names of his personal representative or relatives as appropriate,
  - (viii) by the trustees for the time being of any trust in existence at 3 May 1974 if in the opinion of the Board such trust is principally for the benefit of employees or any one or more of them, the Company and its subsidiaries or is principally for charitable purposes and if the subject matter of such trust at such date comprises or includes shares in the Company, to the continuing and/or new trustees thereof,
  - (ix) by the trustees for the time being of any of the 1999 Share Scheme, the Executive Plan, the SIP or the Scheme referred to in sub-paragraph (iv) above to the trustees for the time being of any other one of these trusts, and
  - (x) by any Member to a nominee for such Member or by any such nominee to another person who is a nominee for such Member provided that, in any such case, the Member certifies to the Board and the Board is satisfied that the entire beneficial interest in the shares the subject of the transfer remains vested in the Member and such Member further undertakes in a form satisfactory to the Board not to transfer or otherwise dispose of the beneficial interest in such shares otherwise than pursuant to these Articles.
- (k) For the purposes of ensuring that the consideration mentioned in a transfer pursuant to paragraph (f) of this Article is the true consideration moving from the transferee or that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a transfer notice is required to be given hereunder the Board may from time to time require any Member or the executors or administrators of any deceased Member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence (including the making of a statutory declaration under the Statutory Declarations Act 1835) as the Board may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Board within a reasonable time after request the Board shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned. If such information or evidence



discloses that a transfer notice ought to have been given in respect of any shares the Board may by notice require that a transfer notice be given in respect of the shares concerned

- (l) The renunciation by a Member or his executors or administrators of the allotment of any share shall be deemed for the purposes of these presents to be a transfer of such share
- (m) The Board may make such arrangements as it regards as necessary or desirable for any person (an *appointed person*) as it may in its absolute discretion determine to carry out and perform, either as principal or as agent, any of the duties or obligations expressed to be carried out or performed by the Company or the Board pursuant to this Article
- (n) For the purposes of this Article 29, an Authorised Person shall mean any Director who is not otherwise an existing Member that the Board may approve from time to time
- (o) Notwithstanding any of the provisions contained herein, the maximum number of shares that a person may hold in his capacity as an Authorised Person shall be [10,000] (the AP Quota) For the avoidance of doubt, any shares that are held by a person who acquires shares in the Company in a capacity other than as an Authorised Person shall not count towards the AP Quota

Form and  
signature of  
transfer

- 30 The instrument of transfer of a share shall be in writing in the usual common form and shall be signed by or on behalf of the transferor and (where necessary) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of Members in respect thereof

Directors may  
refuse to  
register  
transfer

- 31 The Board may decline to register any transfer of shares upon which the Company has a lien by virtue of Article 19 hereof or where any of the provisions of Article 29 hereof, which may be applicable, have not been complied with, or made by a Member who is indebted to the Company, or to a transferee of whom the Board does not approve, in which latter case the Board may act in its absolute discretion and shall not be bound to assign any reason for withholding its consent to the registration of the transfer Provided that no transfer shall be registered which, if registered, would make the number of members exceed the limit hereinbefore prescribed

- 32 The Board may also decline to recognise any instrument of transfer unless:

- (a) such fee not exceeding one pound as the Board may from time to time require is paid to the Company in respect thereof,

- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of share

<b>When refusal to transfer to be notified</b>	33	If the Board refuses to register a transfer it shall within two months after the date on which the transfer was lodged send to the transferee notice of the refusal
<b>Closing of register</b>	34	The register of transfers may be closed at such times and for such periods as the Board may from time to time determine, provided always that it shall not be closed for more than 30 days in any year
<b>Fee on registrations etc</b>	35.	The Company shall be entitled to charge a fee of one pound on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, distringas notice or other instrument relating to or affecting the title to any share

#### TRANSMISSION OF SHARES

<b>Transmission of shares of deceased holder</b>	36.	In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him.
<b>As to transfer of shares of deceased or bankrupt Members</b>	37	Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof
<b>Procedure for transmission or transfer of shares</b>	38	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 his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these presents 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 had not occurred and the notice or transfer were a transfer signed by such Member
<b>Rights of persons entitled by transmission</b>	39	Subject to the provisions of the preceding Article hereof, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for

any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to receive notices of or to attend or vote at meetings of the Company or, save as aforesaid, to any of the rights or privileges of a Member until he shall have become a Member in respect of such share

### FORFEITURE OF SHARES

- |   |     |  |
|---|-----|--|
| If call or instalment not paid, notice may be given | 40. | If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board 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 and expenses which may have accrued.   |
| Forms of notice                                     | 41  | The notice shall name a further day 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 in respect of which such call was made will be liable to be forfeited  |
| If notice not complied with shares may be forfeited | 42  | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. |
| Notice of the forfeiture                            | 43  | When any share has been forfeited notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by reason of the death or bankruptcy of the holder (as the case may be), but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid   |
|   | 44  | Subject to the provisions of the Statutes, a forfeited share may be sold or re-allotted or otherwise disposed of either to the person who was before the forfeiture the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.                                    |
| Arrears to be paid notwithstanding forfeiture       | 45  | A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share with interest thereon at 10 per cent per annum from the date of forfeiture until payment; but his liability shall cease if and when the                           |

Company receives payment in full of the nominal amount of the shares together with such interest as aforesaid

**Evidence of  
forfeiture**

46. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited 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, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share

### **STOCK**

**Conversion of  
shares into  
stock and re-  
conversion**

- 47 The Company in General Meeting may convert any paid-up shares into stock, and may re-convert any stock into paid-up shares of any denomination

**Rights of  
transfer of  
stock**

- 48 The holders of stock may transfer the same, or any part thereof, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in sums of £1 or multiples of £1, or such less amount, if any, as the Board shall from time to time prescribe as the minimum amount of stock of any class to be transferred

**Rights of  
stockholders**

- 49 The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and assets of the Company) shall be conferred by any fractional part of £1 stock or of other the amount for the time being prescribed by or pursuant to these presents as the minimum amount of the stock of the class to be transferred

**Right of  
Company to  
enforce sale of  
fractional  
holdings of  
stock**

- 50 Stock of any class shall only be held in sums or multiples of £1, or other the amount for the time being prescribed by or pursuant to these presents as the minimum amount of stock of the class to be transferred, and if and whenever any Members' holdings of stock of any class for any reason consist of or include fractions of £1 (or other the sum prescribed as aforesaid) of stock, the Board shall be empowered to sell the stock represented by such fractional holdings for the best price reasonably obtainable and shall pay and distribute the net proceeds of sale to and amongst the Members entitled to such fractions in due proportions. For

the purpose of giving effect to any such sale the Board may authorise any person to transfer the stock sold to the purchaser thereof and the purchaser shall be registered as the holder of the stock comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the stock be affected by any irregularity or invalidity in the proceedings with reference to the sale.

*Shares to include stock*

- 51 All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock and the words *share* and *shareholder* herein shall include *stock* and *stockholder*

#### INCREASE OF CAPITAL

*Power to increase capital*

- 52 The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe
- 53 The new shares shall be subject to the same provisions, with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise, as the shares in the capital at the date of adoption of these presents and subject to the provisions of these presents shall have attached thereto such rights as to dividend and participation in assets in a winding up as the Company may by the resolution increasing the capital or by any subsequent Ordinary Resolution passed before the issue of the new shares determine Unless or until otherwise so determined the new shares shall be Ordinary Shares

#### ALTERATIONS OF CAPITAL

- 54 The Company may by Ordinary Resolution

*Consolidation of shares*

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

*Sub-division of shares*

- (b) subject to the provisions of the Statutes, sub-divide or consolidate and divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, and so that the Resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

*Cancellation of reduction of unissued shares*

- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled,

and may also by Special Resolution

Reduction of  
capital

- (d) reduce its capital and any capital redemption reserve fund in any manner and with and subject to any incident authorised and consent required by law.

### GENERAL MEETINGS

Ordinary and  
Extraordinary  
General  
Meetings

- 55 A General Meeting shall be held in every year at such time (within a period of not more than fifteen calendar months after the holding of the last preceding General Meeting) and place as may be determined by the Board. The above mentioned General Meetings shall be called Ordinary General Meetings, all other General Meetings shall be called Extraordinary General Meetings

When Extra-  
ordinary  
General  
Meeting to be  
called

- 56 The Board may call an Extraordinary General Meeting whenever it thinks fit. The Board shall, on the requisition of Members in accordance with the requirements of the Statutes, forthwith proceed to convene an Extraordinary General Meeting

### NOTICE OF GENERAL MEETINGS

Notice of  
meeting

- 57 Subject to the provisions of the Statutes relating to meetings convened for the purpose of passing Special Resolutions, fourteen days' notice (inclusive of the day on which the notice is served or deemed to be served but exclusive of the day for which the notice is given) specifying the place, the day and the hour of meeting, and in case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such Members as are under the provisions herein contained entitled to receive notices from the Company. The accidental omission to give notice to, or the non-receipt of notice by, any Member shall not invalidate the proceedings at any General Meeting

### PROCEEDINGS AT GENERAL MEETINGS

Ordinary and  
special  
business

- 58 All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Ordinary General Meeting with the exception of sanctioning dividends, the consideration of the accounts and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in the place of those retiring by rotation or otherwise and the fixing of the remuneration of the Auditors and any remuneration of the Directors.

Quorum

- 59 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these presents or required by the Statutes, three Members present in person and entitled to vote shall be a quorum for all purposes

A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of the Statutes.

Adjournment  
or dissolution  
for lack of  
quorum

- 60 If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place and, if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, the Members present and entitled to vote, whatever their number, shall have power to decide upon all matters which could properly have been disposed of at the meeting from which such adjournment arose

Chairman of  
General  
Meeting

- 61 The Chairman of the Board or in his absence the Deputy Chairman (if any) shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman or Deputy Chairman or if at any meeting neither of them be present within fifteen minutes after the time appointed for holding the meeting or if neither of them is willing to act as Chairman, the Directors present shall choose one of their number to act or, if one Director only is present, he shall preside as Chairman if willing to act. If no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of their number to be Chairman

Adjournment

- 62 The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, 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. When a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

How  
resolution to  
be decided

- 63 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or in writing by at least three Members present in person and entitled to vote or by any Member or Members present in person or by proxy and entitled to vote in respect of not less than one-tenth of the issued share capital of the Company entitling the holders to vote at the meeting. Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands 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 of proceedings 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

- |  |    |  |
|--|----|--|
| Effect on resolution of irregularity in votes        | 64 | If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution, unless it be pointed out at the same meeting, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution |
| Poll   | 65 | If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded   |
| Casting vote of Chairman                             | 66 | In the case of an equality of votes on any resolution, whether on a show of hands or upon a poll, the Chairman shall be entitled to a casting vote   |
| When poll to be taken                                | 67 | A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs.  |
| Business to proceed notwithstanding demand of a poll | 68 | 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   |

#### VOTES OF MEMBERS

- |                         |    |  |
|-------------------------|----|--|
| Votes of Members        | 69 | Subject to any special terms as to voting upon which any capital may be issued or may from time to time be held, on a show of hands every Member who is present in person shall have one vote. On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and one vote for every ten Preference Shares held by him. Any Member holding less than ten Preference Shares shall not be entitled on a poll to vote in respect of his Preference Shares |
| Joint holders           | 70 | 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.   |
| Corporation             | 71 | A corporation, being a Member, may vote by any officer or duly authorised representatives, who shall be entitled to speak, demand a poll, vote, act as proxy and in all other respects exercise the rights of a Member and shall be reckoned as a Member for all purposes.   |
| Members of unsound mind | 72 | A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee, <i>curator bonis</i> or other person in the nature of a committee or <i>curator bonis</i> appointed by such  |



court, and such committee, *curator bonis* or other person may on a poll vote by proxy

No Member  
entitled to vote  
while calls due  
to the  
Company

73. No Member shall be entitled to be present or vote either in person or by proxy at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid

When  
objection to  
qualification  
of voter may  
be taken

74. 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

Voting on a  
poll

75. On a poll, votes may be given either personally or by proxy. The appointment of a proxy shall be in writing executed by the appointor, or his attorney duly authorised in writing, or, if the appointor is a corporation, either under the common seal or executed by an officer or attorney so authorised

Who may act  
as proxy

76. No person shall act as a proxy unless either he is entitled on his own behalf to be present and vote at the meeting at which he acts as proxy or he is appointed to act at that meeting as the representative of a corporation in accordance with the requirements of the Statutes.

Delivery  
/receipt of  
proxy  
appointment

77. The appointment of a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be delivered to the Company not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, and, in default, the appointment of proxy shall not be treated as valid. No appointment of a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution

78. An instrument appointing a proxy may be in the following form or in any other form which the Board shall approve

### **C. & J. CLARK, LIMITED**

I/We, being (a) Member(s) of the above-named Company, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, as my/our proxy to vote for me/us and on my/our behalf at the (Ordinary or Extraordinary, as the case may be) General Meeting of the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, and at any adjournment thereof

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

When vote by  
proxy valid  
though  
authority  
revoked

- 79 A vote given in accordance with the terms of an appointment of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company before the commencement of the meeting or adjourned meeting at which the proxy is used

### DIRECTORS

Number of  
Directors

- 80 Unless and until otherwise determined by the Company in General Meeting, the Directors shall be not less than two or more than twelve in number

Appointment  
of alternate  
Director

81. Each Director shall have the power to nominate any other Director or any other person approved by the Board for the purpose to act as alternate Director in his place at any meeting or meetings at which he is not present, and at his discretion to remove such alternate Director, and on such appointment being made the alternate Director shall (except as regards qualification and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, whilst so acting, shall exercise and discharge all the functions, powers and duties of the Director he represents Any Director acting as alternate Director shall have an additional vote at Board Meetings for each Director for whom he acts as alternate Director, and any person other than a Director acting as alternate Director shall have one vote for each Director for whom he acts as alternate An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. Any appointment of an alternate Director shall be delivered to the Company and shall, as nearly as circumstances will admit, be in the form or to the effect following

### C. & J. CLARK, LIMITED

I, being a Director of the above-named Company, in pursuance of the power in that behalf contained in the Articles of Association of the Company, do hereby nominate and appoint \_\_\_\_\_ to act as alternate Director in my place at all meetings of the Board at which I may not be present

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_

Directors' fees

- 82 (a) Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all fees paid to Directors (excluding amounts payable under any other provision of these Articles) shall not exceed the sum of £450,000 per annum

(adjusted in respect of each calendar year for any increase in the Retail Prices Index in the period from the date of adoption of this Article to the end of the preceding calendar year) or such other amount as shall be decided by Ordinary Resolution of the Company.

- (b) Each of the Directors shall be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings of the Company or any other meeting which as a Director he is entitled to attend and shall also be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director
- (c) For the purposes of this Article ***Retail Prices Index*** means the index of that description published from time to time by the Central Statistical Office of Her Majesty's Government or such other successor index as shall from time to time amend or replace it

82A Subject to the provisions of Articles 96A to 96E and without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers, or ex-officers, employees or ex-employees of the Company, or the dependants or connections of any such persons it is hereby expressly declared that any salaried Director (as hereinafter defined) may participate in any pension or assurance scheme for the benefit of the Company's employees, whether the Company contributes thereto or not, and that the Board may accordingly include in any such scheme, or may make such grant or pay such pension or other retiring or similar allowance to, any salaried Director or his relatives, connections or dependants upon such terms as the Board may think fit. It shall be no objection to any such inclusion, grant, or payment that the salaried Director remains an ordinary Director of the Company entitled to participate in the ordinary remuneration payable to the Directors. Any salaried Director may vote as a Director upon any Resolutions affecting or relating to any such scheme, pension, grant or allowance, or relating to his participation therein, notwithstanding that he is or may be interested therein. For the purpose of this Article the expression ***salaried Director*** means a Managing Director and any other Director holding any salaried employment or office under the Company in respect of which he is paid remuneration beyond his ordinary remuneration as a Director but it is hereby expressly declared that such expression does not include a Director in respect of his ordinary services as a Director.

82B. Without prejudice to the provisions of Article 145 and subject to the provisions of Articles 96A to 96E, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company, or of any other company which is its holding company or

in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any other such company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund. For the purposes of this Article *holding company* and *subsidiary undertaking* shall have the same meanings as in the 2006 Act

A Director may hold office in companies in which the company is interested and may retain remuneration

- 83 Subject to the provisions of Articles 96A to 96E, a Director of this Company may be or become a director or other officer of, or otherwise interested in, any company incorporated in the United Kingdom or elsewhere and promoted by this Company or in which this Company may be interested as shareholder or otherwise and unless and so far as the Board may otherwise determine, no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by this Company in such manner in all respects as it thinks fit, including the exercise of such voting power in favour of any resolution appointing any of its number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of this Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such or in any other manner is or may be interested in the exercise of such voting rights in manner aforesaid.

Remuneration for special services

84. Any Director who by request performs special services or goes or resides abroad for any purposes of the Company shall (unless otherwise expressly resolved by the Company in General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

Age limit for Directors

- 85 [Intentionally left blank].

When office of Director is to be vacated

- 86 (a) Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of a Director shall be vacated if:

- (i) he resigns his office by writing under his hand left at the Office, or
  - (ii) he is found lunatic or of unsound mind or becomes bankrupt or compounds with his creditors, or
  - (iii) the Board resolves he is physically or mentally incapable of performing his duties as a Director, or
  - (iv) he is absent otherwise than on the business of the Company from meetings of the Board for six calendar months without cause, or without special leave of absence from the Board and the Board resolves that his office is vacated; or
  - (v) he is prohibited by law from being a Director; or
  - (vi) being an executive Director, he ceases to hold any employment or executive office with the Company (including that of Managing Director), or
  - (vii) being a non-executive Director, and unless otherwise expressly resolved by a Special Resolution of the Company in General Meeting, he has been a non-executive Director for a period or periods which in aggregate exceed 108 months (the *Period*), provided that any periods during which a non-executive Director carries out the office of Chairman of the Company, being duly appointed under Article 111, shall not count towards the Period
- (b) In the case of a Director required to vacate his office by reason of sub-paragraph (vii) of paragraph (a) of this Article, he shall so vacate his office at the conclusion of the Ordinary General Meeting commencing next after the expiry of the relevant Period giving rise to the requirement that he so vacate his office under such sub-paragraph
- (c) For the purposes of this Article the following expressions shall have the following meanings
- (i) *executive Director* shall mean a Director who at the relevant time is either the Managing Director or any other Director holding any salaried employment or office under the Company in respect of which he is paid remuneration beyond his ordinary remuneration as a Director (if any) and in respect of which he is required to devote substantially the whole of his working time to the Company being not less than 25 hours per week (exclusive of meal breaks), and
  - (ii) *non-executive Director* shall mean a Director who at the relevant time is not an *executive Director* as defined in this sub-paragraph (c).

## POWERS AND DUTIES OF THE BOARD

**Business of the  
Company  
generally to be  
managed by  
the Board**

87 The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting, subject, nevertheless, to any regulations of these presents, to the provisions of the Statutes 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 regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made

88 The general powers given by the last preceding Article shall not be limited or restricted by any special authority or power given to the Board by any other Article

**Local boards  
and agencies**

89 The Board may establish any local boards or agencies for managing any of the affairs of the Company either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board 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 Board may think fit, and the Board may remove any persons 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  
Company to  
appoint  
attorneys**

90 The Board may from time to time and at any time by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents) and for such period and subject to such conditions as the Board may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board 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

**Borrowing  
powers  
exercisable by  
Board**

91. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debenture and other securities The Board shall restrict the borrowings of the Company and exercise all

rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise it can secure) that, save with the previous sanction of an ordinary resolution of the Company, no money shall be borrowed if the aggregate principal amount (including any premium payable on final repayment) outstanding of all moneys borrowed by the Group (exclusive of any intra-Group borrowings) then exceeds or would as a result of such borrowing exceed an amount equal to the aggregate of

- (a) the amount paid up or credited as paid up on the share capital of the Company, and
- (b) the total standing to the credit of the reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and credit balance on the combined profit and loss account) but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries and deducting any debit balance on the combined profit and loss account, all as shown in a consolidation of the then latest audited balance sheets of the Group, but adjusted as may be necessary in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet For the purposes of the foregoing
  - (i) the amount outstanding in respect of acceptances by the Company or by any subsidiary of the Company or by any bank or acceptance house under any acceptance credit opened on behalf of the Company or any subsidiary of the Company (not being acceptances in relation to the purchase of goods in the ordinary course of business) shall be taken into account as moneys borrowed,
  - (ii) moneys borrowed for the purpose of repaying the whole or any part of any moneys previously borrowed and then outstanding (including any premium payable on final repayment thereof) and applied for that purpose within four months of such borrowing shall not, pending such application, be taken into account as moneys borrowed; and
  - (iii) the principal amount (including any premium payable on final repayment) of any debentures issued in whole or in part for a consideration other than cash shall be taken into account as moneys borrowed by the company issuing the same,

- (iv) the expression **Group** shall mean and include any one or more of the Company and any subsidiary or subsidiaries for the time being of the Company

No debt incurred or security given in respect of moneys borrowed or to be taken into account as moneys borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

Directors may hold other office	92	A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration, exemption from retirement by rotation and otherwise) as the Board may determine
Directors may contract with Company	93	[No Article]
Signatures of cheques etc	94	All cheques, promissory notes, drafts, bills of exchange and other negotiable 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 Board shall from time to time by resolution determine.
Power to close Registers of Debenture-holders	95	The Board may close any Register of Debenture-holders of the Company during such period or periods (not exceeding in the case of each such Register thirty days altogether in each year) as it thinks fit
Minutes	96	<p>The Board shall cause minutes to be made in books provided for the purpose</p> <ul style="list-style-type: none"> <li>(a) of all appointments of officers made by the Board,</li> <li>(b) of the names of the Directors present at each Board or Committee meeting;</li> <li>(c) of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees</li> </ul>

### DIRECTORS' INTERESTS

- 96A For the purposes of section 175 of the 2006 Act, the Board may authorise any matter proposed to it in accordance with these presents which would, if not so authorised, involve a breach of duty by a Director



under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company Any such authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted The Board may vary or terminate any such authorisation at any time

For the purposes of these presents, a conflict of interest includes a conflict of interest and duty and a conflict of duties, an interest includes both direct and indirect interests

Director's  
contract with  
the Company

96B Provided that he has disclosed to the Board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the 2006 Act apply, in which case no such disclosure is required) a Director notwithstanding his office.

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- (c) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested.

Remuneration  
, benefits etc

96C. A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate the acceptance, entry into or existence of which has been approved by the Board pursuant to Article 96A, or which he is permitted to hold or enter into by virtue of Article 96B The receipt of any such remuneration or other benefit shall not constitute a breach of his duty under section 176 of the 2006 Act.

**Notification of interests** 96D Any disclosure required by Article 96B may be made at a Board Meeting, by notice in writing or by general notice or otherwise in accordance with section 177 of the 2006 Act

**Consequences of authorisation** 96E. Where the existence of a Director's relationship with another person has been approved by the Board pursuant to Article 96B and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he

(a) absents himself from Board Meetings at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

(b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

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

#### **MANAGING DIRECTOR**

**Power to appoint Managing Directors and Managers** 97 The Board may from time to time appoint one or more of its body to the office of Managing Director or Manager and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director appointed to the office of Managing Director shall, without prejudice to any rights or claims which such person may have pursuant to the provisions 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 his appointment shall (save as aforesaid) be subject to determination ipso facto if he ceases for any cause to be a Director.

**Remuneration of Managing Director and Manager** 98 A Managing Director or Manager shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Board may determine.

**Duties of Managing Director and Manager** 99 The Board may entrust to and confer upon a Managing Director or Manager any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers

## THE SEAL

- 100 (a) The Seal shall not be affixed to any document except by the authority or a resolution of the Directors (or a committee authorised by the Directors in that behalf). Any document may be executed under the Seal by impressing the Seal by mechanical means or by printing the Seal or a facsimile of it on such document or by applying the Seal or a facsimile of it by any other means to such document
- (b) Every document to which the Seal shall be affixed shall, unless the Directors otherwise resolve and save as provided in this Article 100, be signed by one Director and the Secretary or by two Directors. In respect of any document signed by one Director and the Secretary or by two Directors, the Directors may by resolution determine that such signatures or either of them shall be printed or affixed by some method or system of mechanical signature. Where the Seal has been affixed in such manner the document shall be conclusively deemed to have been executed in accordance with the requirements of these Articles and to have taken effect accordingly
- (c) Any official seal kept by the Company by virtue of section 40 of the 1985 Act shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with such Seal shall not be required to be signed

## ROTATION OF BOARD

Rotation and  
retirement of  
Directors

- 101 At the Ordinary General Meeting in every year one-third of the Directors for the time being (other than any Director exempt from retirement by rotation under any other provision of these presents) shall retire from office. If their number is not a multiple of three the number nearest to but not being greater than one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Which  
Directors to  
retire

- 102 The Directors to retire in every year shall be those who have been longest in office since their last election or appointment, but as between persons who became Directors or were last elected on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election

Meeting to fill  
vacancies

- 103 The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto, unless at such meeting it is expressly resolved not to fill up such vacated office. The Company may also in General Meeting elect a person to be

a Director either to fill a casual vacancy or as an addition to the existing Board

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|---|-----|---|
| <b>Nomination of person for election as Director</b>                  | 104 | No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of a Director at any General Meeting unless, not less than seven and not more than fourteen clear days before the day appointed for the Meeting, there shall have been left at the Office (or if in electronic form, sent to such address, if any, for the time being specified by or on behalf of the Company for that purpose) notice in writing by some Member entitled to vote at the Meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to act |
| <b>Retiring Director to remain in office till successor appointed</b> | 105 | If, at any meeting at which an election of Directors ought to take place, the place of any Director retiring at such meeting is not filled, such Director if offering himself for re-election shall be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill up such place.   |
| <b>Power to remove Director by Extraordinary Resolution</b>           | 106 | The Company may by Extraordinary Resolution remove any Director before the expiration of his period of office and may by an 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 last elected a Director   |

#### **PROCEEDINGS OF BOARD**

- |  |      |  |
|--|------|--|
| <b>Meetings of Directors</b>                                       | 107  | The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit Questions arising at any meeting shall be determined by a majority of votes, in the case of an equality of votes the Chairman having a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board Meeting It shall not be necessary to give notice of a Board Meeting to any Director for the time being absent from the United Kingdom |
| <b>Quorum</b>  | 108. | A meeting of the Board 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 Board The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three   |
| <b>Power to continuing Director to act notwithstanding vacancy</b> | 109  | The continuing Directors may act notwithstanding any vacancies in their body but if and so long as their number is reduced below the minimum fixed by these presents the continuing Directors may act for the purpose  |

of filling up vacancies in their body or of summoning a General Meeting of the Company but not for any other purpose

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|---|------|---|
| <b>Power to appoint Directors to fill casual vacancy or as an addition to the Board</b>   | 110  | The Board shall have power at any time and from time to time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents Any Director so appointed shall hold office until the next following Ordinary General Meeting and shall then be eligible for re-election |
| <b>Election of Chairman and Deputy Chairman</b>   | 111  | The Board may elect a Chairman and Deputy Chairman of its meetings and determine the period for which they are respectively to hold office If no such Chairman or Deputy Chairman be elected, or if at any meeting neither of them 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>Delegation of duties to committees</b>   | 112  | The Board may delegate any of its powers to committees consisting of such Member or Members of its body as it thinks 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 Board   |
| <b>Meetings of committee</b>  | 113  | The meetings and proceedings of any committee consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations imposed by the Board under the provisions of the preceding Article  |
| <b>Validity of Acts of Board and committees notwithstanding defect in appointment etc</b> | 114. | All acts done by any Board or Committee Meeting or by any person acting as a Director shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director                         |
| <b>Resolution without Board Meeting valid</b>   | 115  | A resolution in writing signed by all the Directors for the time being entitled to receive notice of Board Meetings shall be as valid and effectual as if the same had been passed at a Board Meeting duly convened and held.   |

#### **DIVIDENDS AND RESERVE**

- |                             |     |  |
|-----------------------------|-----|--|
| <b>Payment of dividends</b> | 116 | The profits of the Company available for dividend and resolved to be distributed shall be applied in paying dividends to the Members according to their rights and priorities The Company in General Meeting may declare dividends accordingly but no dividend shall be paid in excess of the amount recommended by the Board. |
|-----------------------------|-----|--|

Payment of interim dividends	117.	The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company.
How dividends to be calculated	118	All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but no amount paid on a share in advance of calls shall while carrying interest be treated for the purposes of this Article as paid on the share All dividends shall be apportioned and paid <i>pro rata</i> according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly
Reserve	119	The Board may from time to time set aside out of the profits of the Company and carry to reserve or reserves such sums as it thinks proper which shall at the discretion of the Board be applicable for meeting contingencies or for the liquidation of any debt or liability of the Company or for repairing or maintaining or providing for obsolescence and depreciation of works, plant and machinery or other assets of the Company or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to divide.
Debts may be deducted	120	The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of call or otherwise
	121.	No dividend (and, in accordance with Article 122A, no amount standing to the credit of the DRIP Account) shall bear interest as against the Company.
Payment by cheque or warrant	122.	Until otherwise directed and save as provided for in Article 122A, any dividend or interest payable in cash to the registered holders of shares shall be paid by cheque or warrant sent through the post directed to the holder at his registered address or, in the case of joint holders, directed to the holder whose name stands first on the register in respect of the shares. Every such cheque or warrant shall, unless the holder or holders otherwise direct, be made payable to the order of the registered holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares, and shall be sent at his or their risk Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by such joint holders
DRIP	122A.	This Article 122A sets out the provisions governing the Company's discretionary dividend reinvestment plan (the <b>DRIP</b> ), the terms of which

shall apply in respect of all dividends declared following notification given in writing to Members by the Board of its intention to introduce the DRIP

- (a) Subject to paragraph (e) below, a Member may at any time give notice (a **DRIP Notice**) in writing to the Board that he wishes for the amount of any dividend or, subject to paragraph (b) below, all future dividends (in each case whether declared by the Company pursuant to Article 116 or by the Board pursuant to Article 117) which he would otherwise be paid in accordance with Article 122 to be transferred to a non-interest bearing account in the name of, and administered by, the Company (the **DRIP Account**) and such amounts to be used to purchase Sale Shares pursuant to the procedure set out in paragraphs (b)-(e) of Article 29, provided that if served after the date which is 14 days prior to the record date set by the Board for a particular dividend, such DRIP Notice shall only be effective for future dividends.
- (b) Once given pursuant to paragraph (a) above, a Member may revoke a DRIP Notice at any time by giving a further notice (a **DRIP Revocation Notice**) in writing to the Board and the Company shall arrange for any amounts standing to the credit of such Member in the DRIP Account to be paid to such Member as soon as reasonably practicable and in accordance with Article 122 above, provided that if served after the date which is 14 days prior to the record date set by the Board for a particular dividend, such DRIP Revocation Notice shall only be effective for future dividends declared by the Company or the Board (as the case may be) and any amount in respect of such current dividend shall be transferred to the DRIP Account as if no such DRIP Revocation Notice had been served and any amounts standing to the credit of such Member in the DRIP Account shall first be applied in purchasing Sale Shares offered for sale pursuant to the next share sale procedure in accordance with paragraphs (b)-(e) of Article 29
- (c) Subject to paragraph (d) below, a DRIP Notice given by a Member pursuant to paragraph (a) above shall be given in respect of the full amount (and not part only) of the dividend(s) he would otherwise be paid in accordance with Article 122.
- (d) Where a Member holds 10,000 or more shares in the Company, such Member shall be entitled to give a DRIP Notice in respect of the relevant dividend(s) in relation to (i) all of the shares in the Company held by such Member or (ii) (in the absolute discretion of such Member) any lesser number of shares in the Company held by such Member, **provided that** where such a Member has given a DRIP Notice in respect of a number of shares which is

less than such Member's full holding of shares in the Company and such Member's shareholding subsequently falls below 10,000 shares, such Member shall be deemed to have given a DRIP Revocation Notice in accordance with paragraph (d) above.

- (e) At any time, and in the Board's absolute discretion, the Board may notify Members in writing that it intends to disapply the DRIP for a particular dividend or to discontinue the DRIP for all future dividends (in each case, a **DRIP Stop Notice**), save that in order to be effective for the dividend next following the date of the DRIP Stop Notice, any such notice shall be given by the Board to participating Members not less than seven days prior to the record date set by the Board for such dividend. In the event that the Board does give a DRIP Stop Notice, any Member which has given a DRIP Notice pursuant to paragraph (a) above shall be deemed also to have given a DRIP Revocation Notice and the Company shall arrange for any amounts standing to the credit of such Member in the DRIP Account to be paid to such Member as soon as reasonably practicable and in accordance with Article 122 above. For the avoidance of doubt, the Board may, at any time and in its absolute discretion, reintroduce the DRIP after it has served a DRIP Stop Notice.

Payment of  
dividend in  
specie

123. Any General Meeting declaring a dividend or bonus or the Board may direct payment of such dividend or bonus be wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any company or in any one or more of such ways, and the Board shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Board may settle the same at it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board.

#### CAPITALISATION OF PROFITS

Power of  
Company in  
General  
Meeting to  
direct  
capitalisation  
of profits

124. The Company may, upon the recommendation of the Board, from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund and accordingly that such amount to be set free for distribution among the Members or any class of Members who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares



in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that

- (a) for the purposes of this Article a share premium account and a capital redemption reserve fund may be applied only in the paying up of unissued shares to be issued to such Members, credited as fully paid, and
- (b) where the amount capitalised is applied in paying up unissued shares in the Company, the Company may resolve that the amount to be capitalised be set free for distribution, and that such shares be allotted and distributed, as nearly as practicable in proportion to the number of shares held by the Members concerned respectively without necessitating the adjustment of the rights of the Members by cash payments or the issue of fractions of shares

125 Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members

## ACCOUNTS

Accounts to be kept

126 The Board shall cause true accounts to be kept

- (a) of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and
- (b) of all sales and purchases of goods by the Company, and
- (c) of the assets and liabilities of the Company

Where to be kept

127 The books of account shall be kept at the Office or at such other place or places as the Board thinks fit, and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Board.

<b>Annual Account and Balance Sheet</b>	128	Once at least in every year the Board shall lay before the Company in General Meeting a profit and loss account and a balance sheet both made up to a date not more than nine months before the meeting, in such form and containing all such particulars with regard to the capital, the assets and the liabilities of the Company as are required by the Statutes.
<b>Signature of balance sheet</b>	129	Every such balance sheet as aforesaid shall be signed on behalf of the Board by two of the Directors and shall have attached to it a report of the Board as to the state of the Company's affairs and the amount (if any) which it recommends to be paid by way of dividend to the Members and the amount (if any) which it proposes to carry to reserve It shall also have attached to it the Auditors' report.
<b>Circulation of Reports and Accounts to Members</b>	130	A copy of such profit and loss account, balance sheet and reports of the Board and of the Auditors shall, seven days previously to the meeting, be kept at the office open for the inspection of the Members but, except with the sanction of the Board or as required by the Statutes, shall not be circulated.

#### AUDIT

<b>Appointment of Auditors</b>	131	The Company shall at the Ordinary General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Ordinary General Meeting and shall fix his or their remuneration
<b>Failure to appoint Auditor</b>	132	If an appointment of Auditors is not made at any meeting at which it ought to be made under the provisions of the preceding Article, the Board of Trade may, on the application of any Member of the Company, appoint an Auditor of the Company for the current year and fix the remuneration to be paid to him by the Company for his services.
<b>Who may not be appointed as Auditor</b>	133	No Director or other officer of the Company, no person who is a partner of or in the employment of an officer of the Company and no corporation shall be capable of being appointed Auditor of the Company
<b>Casual vacancy in office of Auditor</b>	134.	The Board may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act.
<b>Nomination of person for appointment as Auditor</b>	135	A person other than a retiring Auditor shall not be capable of being appointed Auditor at an Ordinary General Meeting unless notice of the intention to nominate that person to the office of Auditor has been given by a Member to the Company not less than 14 days before the meeting, and the Company shall send a copy of any such notice to the retiring Auditor, and shall give notice thereof to the Members not less than seven days before the meeting Provided that if, after a notice of the intention to nominate an Auditor has been so given, an Ordinary General

Meeting is called for a date 14 days or less after the notice has been given, the notice though not given within the time required by this provision shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the Company may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the Ordinary General Meeting

**Auditor to  
have access to  
books**

- 136 Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company, and shall be entitled to require from the Board and officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditors

**Report of  
Auditors**

- 137 The Auditors shall make a report to the Members on the accounts examined by them and on every balance sheet laid before the Company in General Meeting during their tenure of office, and the report shall state

- (a) whether or not they have obtained all the information and explanations they have required, and
- (b) whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of their information and the explanations given to them and as shown by the books of the Company

- 138 The Auditors' report shall be read before the Company in General Meeting, and shall be open to inspection by any Member

#### **COMMUNICATIONS**

**How notice to  
be served**

- 139 (a) Any notice to be sent to or by any person pursuant to these presents (other than a notice calling a Board Meeting) shall be in writing
- (b) Subject to Article 139.(a) and unless otherwise provided by these presents, the Company shall send a document or information that is required or authorised to be sent to a Member or any other person by the Company in such form and by such means as it may determine provided that the relevant provisions of the 2006 Act shall apply
- (c) Subject to Article 139 (a) and unless otherwise provided by these presents, a Member or a person entitled by transmission to a share shall send a document or information pursuant to these presents to the Company in such form and by such means as it may determine provided that

- (i) the determined form and means are permitted by the Statutes, and
- (ii) unless the Board otherwise permits, any applicable condition or limitation specified in the Statutes is satisfied

Unless otherwise provided by these presents or required by the Board, such document or information shall be authenticated in the manner specified by the Statutes

In the case of joint holders of a share notices shall be given to that one of the joint holders whose name stands first in the Register of Members, and notices so given shall be sufficient notice to all the joint holders

- (d) The Board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the sending of notices and documents by the Company to Members or persons entitled by transmission and by Members or persons entitled by transmission to the Company.

**Members  
resident  
abroad**

- 140 Any Member described in the Register of Members by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address (provided that, in the case of a document sent by electronic means, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion), but save as aforesaid no Member other than a Member described in the Register of Members by an address within the United Kingdom shall be entitled to receive any notice from the Company.

**When notices  
are served**

- 141. Any document or information.
  - (1) if served by post shall be deemed to have been served at the expiration of twenty-four hours after the time when the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the document or information was properly addressed and posted;
  - (2) if served by an electronic communication shall be deemed to have been served on the day following that on which the electronic communication was sent to the Member, notwithstanding that the Company becomes aware that the Member has failed to receive the relevant document or information for any reason and notwithstanding that the Company subsequently sends a copy of such document or information by post to that Member; or

(3) if served via a website shall be deemed to have been served 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 this availability. Receipt shall be deemed to be on that day notwithstanding that the Company becomes aware that the Member has failed to receive the relevant document or information for any reason

Validity of  
notice  
notwith-  
standing death  
etc , of  
Member

- 142 A document or information may be sent or supplied by the Company to any person entitled by transmission to a share by sending it in any manner authorised by these presents for the sending of a document or information to a Member, at the address (if any) in the United Kingdom as may be supplied by or on behalf of the person claiming to be so entitled. Until such an address has been supplied, a document or information may be sent in any manner in which it might have been sent if the event giving rise to the transmission had not occurred.

#### WINDING UP

Distribution of  
surplus assets  
on winding up

- 143 The surplus assets of the Company upon the winding up thereof shall be applied in the first place in paying off the capital paid up on the Preference Shares in the Company's capital and any arrears of dividend thereon (whether declared or not) up to the commencement of the winding up, then in repaying to the holders of the Ordinary shares the amount paid up on such shares and the residue (if any) shall be divided among the Members holding Ordinary Shares in proportion to the actual amount of capital paid up on such shares held by them respectively
144. If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the contributories, divide amongst the contributories in specie the whole or any part of the assets of the Company, and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit

#### INDEMNITY

- 145 Every Director, Manager and officer of the Company and any person (whether an officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, officer or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under the Act in which relief is granted to him by the Court.

THE COMPANIES ACTS

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

C&J CLARK LIMITED

(Amended by Special Resolutions passed the 8<sup>th</sup> May 1998, 7<sup>th</sup> May 1999,  
4<sup>th</sup> May 2001, 10<sup>th</sup> May 2002, 5<sup>th</sup> May 2006, 4<sup>th</sup> May 2007,  
9<sup>th</sup> May 2008, 1<sup>st</sup> October 2008, 8<sup>th</sup> May 2009, ~~and 6<sup>th</sup> May 2011~~ and 2nd May 2014)

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TABLE A

Table A	1	The regulations in Table A in the Companies (Tables A-F) Regulations in force at the date of the incorporation of the Company shall not apply to the Company except so far as the same are incorporated in these presents
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INTERPRETATION

Definitions	2	The marginal notes shall not affect the construction of these presents and in these presents the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context
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**WORDS**

**MEANINGS**

*The Statutes*

means the Companies Act 1985 the Companies Act 2006 and every other Act for the time being in force concerning companies and affecting the Company.

## WORDS

## MEANINGS

***The 1985 Act***

means the Companies Act 1985 including any modification or enactment of that Act for the time being in force

***The 2006 Act***

means the Companies Act 2006 including any modification or enactment of that Act for the time being in force

***These presents***

means these Articles of Association, as originally framed or as from time to time altered by Special Resolution

***The Office***

means the registered office for the time being of the Company

***The seal***

means the common seal of the Company and includes any official seal kept by the Company by virtue of section 39 or 40 of the 1985 Act

***The United Kingdom***

means Great Britain and Northern Ireland

***The Board***

means the board of Directors of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present

***Month***

means a calendar month

***Year***

means a year from 1 January to 31 December inclusive.

***In writing***

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether comprised in an electronic form or otherwise, and **written** shall be construed accordingly

***Debenture***

includes debenture stock

**WORDS****MEANINGS**

<b><i>Debenture Holder</i></b>	includes debenture stockholder
<b><i>Secretary</i></b>	includes a temporary or assistant Secretary and any person appointed by the Board to perform the duties of the Secretary
<b><i>Director</i></b>	means a director of the Company
<b><i>Address</i></b>	includes a number or address used for the purposes of sending or receiving documents or information by electronic means
<b><i>Document</i></b>	includes, unless the context otherwise requires, references to a document in electronic form.
<b><i>Electronic copy, electronic form and electronic means</i></b>	have the meanings given to them by section 1168 of the 2006 Act
<b><i>Hard copy and hard copy form</i></b>	have the meanings given to them by section 1168 of the 2006 Act
<b><i>Electronic Signature</i></b>	has the meaning given by section 7(2) of the Electronic Communications Act 2000
<b><i>Executed</i></b>	includes being executed under hand or under seal or, in the case of a document in electronic form, by electronic signature
<b><i>Instrument</i></b>	means, unless the contrary is stated, a written instrument having tangible form and not comprised in electronic form
<b><i>Entitled by transmission</i></b>	means, in relation to a share in the capital of the Company, entitled as a consequence of the death or bankruptcy of the holder or otherwise by operation of law

Words importing the singular number only shall include the plural number and vice versa, and words importing the masculine gender shall include the feminine gender.



Subject as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meanings in these presents

### **PRIVATE COMPANY**

**Private  
Company**

- 3 The Company is registered as a private Company, and accordingly
- (a) the right to transfer shares is restricted in a manner hereinafter provided,
  - (b) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited,
  - (c) the Company shall not have power to issue share warrants to bearer

### **BUSINESS**

**Directors  
authorised to  
carry on any  
branch of its  
business**

4. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Board at such time or times as it shall think fit, and further may be suffered by it to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with the same

**The registered  
office**

5. The Office shall be at such place in England as the Board shall from time to time appoint

- 6 (a) The Company may purchase its Ordinary Shares and make payment in respect of their purchase from its distributable profits, the proceeds of a fresh issue of shares or out of capital
- (b) Notwithstanding any amendment to or variation of the relevant provisions of the 1985 Act, the Company may only exercise its power under paragraph (a) in pursuance of a contract or contracts approved in advance by a Special Resolution of the Company in general meeting
- (c) Any Ordinary Share of the Company purchased by it pursuant to the exercise of its power set out in paragraph (a) above shall, upon such purchase being completed, cease for all purposes to be an issued Ordinary Share in the capital of the Company
- (d) The provisions of Article 29 shall not apply in respect of any purchases by or any transfers to the Company
- (e) An amount of the authorised but unissued Ordinary Share capital of the Company equal to the nominal amount of Ordinary Shares purchased by the Company pursuant to the exercise of its power set out in

paragraph (a) above shall upon any such purchase being completed, thereupon and without the requirement for any further resolution by the Company, be designated "Reserved Authorised Ordinary Share Capital" and shall, notwithstanding any other provision of these presents to the contrary, only be capable of being issued with the sanction of a Special Resolution of the Company in general meeting

## CAPITAL

7. [No Article]

8 [No Article]

**Issue of shares** 9 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by resolution determine.

**Issue of redeemable preference shares** 10. Subject to the provisions of the Statutes, any shares in the Company may with the sanction of a Special Resolution be issued on the terms that they are to be redeemed or that at the option of the Company they are liable to be redeemed and in either case on such terms and in such manner as the Company before the issue of such shares shall by Special Resolution determine

## MODIFICATION OF RIGHTS

**Alterations of special rights attached to shares** 11 Subject to the provisions of the Statutes, the special rights attached to any class of shares may either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of such holders, be varied, abrogated or affected. To every such separate General Meeting all the provisions of these presents relating to General Meetings or to the proceedings thereat shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of the class and that the holders of shares of the class shall on a poll have one vote for each share of the class held by them respectively and that, if at any adjourned meeting of such holders a quorum as above defined is not present, those of such holders who are present shall be a quorum

**Increase of a class not to be deemed a modification of rights of the class** 12 The special rights conferred upon the holders of the shares of any class issued with preferred or other special rights shall not, unless otherwise expressly provided by the conditions of issue of the shares of that class, be deemed to be modified or affected by the creation or issue of further shares (including shares carrying dividend at a higher rate or entitling

the holders to be paid in a winding up a premium or a larger premium on the capital paid up thereon than the shares already issued or both) ranking *pari passu* therewith.

## SHARES

Allotment of  
shares

- 13 (a) The shares in the Company for the time being unissued shall be under the control of the Board but, unless otherwise determined by the Company in General Meeting, shall when the Board determines to issue the same be offered in the first instance to all the then Members of the Company holding Ordinary Shares in proportion (as nearly as may be) to the existing Ordinary Shares held by them respectively. Such offer shall be made by notice in writing specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Member to whom such notice is given that he declines to accept the shares offered, the Board may, subject to these presents, dispose of the same to such persons and upon such terms as it thinks most beneficial to the Company. Subject as aforesaid the Board may in like manner dispose of any shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Board be conveniently offered in the manner herein before provided.

(b) [No Article]

Payment of  
Commission  
for placing  
shares

- 14 The Company (or the Board on behalf of the Company) may exercise the powers of paying commissions conferred by the Statutes, 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 said section and such commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company (or the Board on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.

Payment of  
interest out of  
capital

- 15 If any shares of the Company are issued for the purpose of raising money to defray expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company, or the Board on behalf of the Company, may, subject to the conditions and restrictions mentioned in the Statutes, pay interest on so much of such share capital as is for the time being paid up and may charge the same to capital as part of the cost of construction of the works or buildings or the provisions of the plant.

- No notice to be taken of trust** 16 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder
- Issue of Share Certificates** 17. Every person whose name is entered as a Member in the register of Members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue of any shares shall provide) one certificate for all his shares or several certificates each for one or more of his shares upon payment of such sum not exceeding one pound for every certificate after the first as the Board shall from time to time determine. Every certificate shall be executed under the Seal or in accordance with Article 100 or in such other manner as the Board may approve and shall specify the shares to which it relates and the amount paid up thereon. Provided that 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.
- Renewal of Share Certificates** 18 If a share certificate be defaced, lost or destroyed it may be renewed on payment of such fee (if any) not exceeding one pound and on such terms (if any) as to evidence and indemnity and the refund of the out-of-pocket expenses of the Company of investigating such evidence as the Board thinks fit

## **LIEN**

- Extent of Lien** 19 The Company shall have a lien on every share (not being a fully paid share) for all moneys whether presently payable or not called or payable at a fixed time in respect of such share, and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid shares) standing registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person whether a Member of the Company or not. The Company's lien and charge (if any) on a share shall extend to all dividends and bonuses payable thereon. But the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

**Power of sale** 20 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default shall have been given to the holder for the time being of the share or to the person entitled by reason of his death or bankruptcy to the share.

**Application of proceeds of sale** 21. The net proceeds of sale 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 share 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 Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **CALLS ON SHARES**

**Power to make calls** 22 The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, and each Member shall (subject to receiving 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.

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

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

**Overdue calls to carry interest** 25. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10 per cent. per annum as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

**Sums payable at fixed times or by instalments payable as calls** 26 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all the purposes of these presents 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 presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

Differentiation  
as regards  
amounts and  
payment of call

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

Payment in  
advance of  
calls

28 The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) 10 per cent per annum, as may be agreed upon between the Board and the Member paying such sum in advance

### TRANSFER OF SHARES

Transfer of  
shares subject  
to pre-emption  
rights

29 (a) (i) Except as hereinafter provided no share in the Company shall be transferred by any Member or other person entitled to transfer the same unless and until the rights of pre-emption hereinafter conferred shall have been exhausted

(ii) In this Article *the 1999 Facilities* shall mean The C & J Clark Group Employee Share Purchase Facilities, *the 1999 Plan* shall mean the C & J Clark Group 1999 Contributory Plan, *the 1999 Share Scheme* shall mean the C & J Clark Group 1999 Employee Share Scheme, *the Executive Plan* shall mean the C & J Clark Executive Share Plan, *the 1999 Share Trustees* shall mean the trustees for the time being of either the 1999 Plan or the 1999 Share Scheme or both as the context may require, *the SIP* shall mean the C & J Clark Limited All Employee Share Incentive Plan and *the Scheme Trustees* shall mean the trustees of the C & J Clark Executive Share Trust, the Executive Plan or the SIP as the context may require

(b) The Board shall procure the Auditors or such other firm of chartered accountants as the Company in General Meeting may determine to certify to the Company the fair selling price per share of the Company as at the day preceding that for which each Annual General Meeting has been convened and as at such day within 14 days following publication by the Company of the Chairman's Half Year Report as the Board shall determine and as at such other date or dates as the Board may determine For this purpose, the fair selling price per share shall be such sum as in the opinion of the Auditors or such other firm of chartered accountants as aforesaid a share would fetch if sold as part of a holding comprising

such proportion in nominal value of all the shares then in issue as may be specified in such certificate, by a willing vendor to a willing purchaser, but subject to such of the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares as are applicable to all shares. In so certifying the Auditors or such other firm of chartered accountants as aforesaid shall be deemed to be acting as experts and not as arbitrators. Immediately following the issue of each such certificate to the Company the Board shall by written notice (hereinafter called the **Pricing Notice**) (i) communicate the fair selling price to the Members and (ii) invite ~~all~~ any Members or Authorised Person to notify the Company in writing if, in the case of any Member, ~~they wish~~ he wishes to offer any shares for sale pursuant to the arrangements described in paragraph (c) below or, in the case of any Member or any Authorised Person, he wishes to purchase any shares pursuant to the arrangements described in paragraph (d) below (which, in the case of Authorised Persons, shall be subject to paragraph (n)):-

- (c) Every Member or other person entitled to transfer any of the shares in the Company who wishes to transfer any such shares (such Member or other person as aforesaid being hereinafter called the **Proposing Transferor**) shall give notice in writing within such period, not being less than 21 days from the date of the Pricing Notice, as the Board may determine (hereinafter called a **Transfer Notice**) to the Company of his intention so to do. Such notice shall specify the number of shares which the Proposing Transferor wishes to transfer at the fair selling price and shall constitute the Board and, if applicable, any appointed person (as defined in paragraph (m) below), his agent for the sale of the said shares in one or more lots at the discretion of the Board to the holders of Ordinary Shares of the Company at the fair selling price. A Transfer Notice may not be withdrawn without the permission of the Board. The shares which are the subject of a Transfer Notice are hereinafter called the **Sale Shares**.
- (d) Subject to paragraph (n) below, every ~~Every~~ Member and Authorised Person who wishes to purchase any shares (a **Non-DRIP Offeree**) shall give notice (hereinafter called a **Purchase Notice**) in writing within such period, not being less than twenty-one days from the date of the Pricing Notice, as the Board may determine, (hereinafter called the **Offer Period**) whether he is willing to purchase any Sale Shares at the fair selling price and if so what maximum number of the said shares. Each Non-DRIP Offeree shall enclose with the Purchase Notice payment, in a manner set out in the Pricing Notice, for the maximum number of Sale Shares he has stated a willingness to purchase at the fair selling price plus an amount equal to any relevant stamp duty payable on the purchase of such shares at such price.

A Member or an Authorised Person who has given a DRIP Notice in accordance with Article 122A (and who has not revoked such notice also in accordance with Article 122A) (a **DRIP Offeree**) shall be deemed to have given a Purchase Notice in respect of such number of Sale Shares (rounded down to the nearest whole number of Sale Shares) as is calculated by dividing (i) the amount standing to the credit of such Member or Authorised Person in the DRIP Account by (ii) the fair selling price of a Sale Share notified to Members and Authorised Persons in the Pricing Notice plus an amount equal to any relevant stamp duty payable on the purchase of such share at such price (such number of Sale Shares being that DRIP Offeree's **DRIP Sale Shares**).

(e) At the expiration of the Offer Period the Board shall allocate the Sale Shares (or such number thereof as shall then have been agreed to be purchased as aforesaid) to or amongst the Non-DRIP Offerees and/or the DRIP Offerees (together, the **Offerees**) who shall have expressed (or who have been deemed to have expressed) their willingness to purchase Sale Shares as aforesaid as follows

- (i) each DRIP Offeree shall first be allocated his full number of DRIP Sale Shares (subject to there being sufficient Sale Shares),
- (ii) if there are insufficient Sale Shares to complete the allocation in sub-paragraph (i) above in full, such allocation shall be scaled back in a manner which the Board considers most appropriate in its absolute discretion,
- (iii) each Non-DRIP Offeree shall then be allocated 100 Sale Shares or such lesser number of Sale Shares as may be specified in that Non-DRIP Offeree's Purchase Notice (subject to there being sufficient Sale Shares),
- (iv) if there are insufficient Sale Shares to complete the allocation in sub-paragraph (iii) above in full, such allocation shall be scaled back so that each Non-DRIP Offeree is allocated the number of Sale Shares calculated by dividing the aggregate number of Sale Shares by the total number of Non-DRIP Offerees, such that, subject to sub-paragraph (viii) below, each Non-DRIP Offeree receives an equal number of Sale Shares or such lesser number of Sale Shares as may be specified in that Non-DRIP Offeree's Purchase Notice,
- (v) subject as provided in sub-paragraph (viii) below, as between two or more Non-DRIP Offerees who shall have expressed a willingness to purchase all or any of the aggregate number of Sale Shares offered for sale in accordance with the provisions of this Article 29 which have not been allocated pursuant to sub-paragraph (iii) or (iv) above, the same shall be allocated, so far as



practicable, pro rata according to the number of Shares already held by them,

- (vi) subject to sub-paragraphs (vii) and (viii) below, if there are more Sale Shares than Offerees wish (or are deemed to wish) to purchase, the number of Sale Shares to be sold by each Proposing Transferor will be determined by multiplying the number of Sale Shares each Proposing Transferor has offered to sell by the fraction derived from dividing the total number of shares Offerees wish (or are deemed to wish) to purchase by the total number of Sale Shares,
- (vii) if as a result of sub-paragraph (vi) above, a Proposing Transferor who wishes to sell all of his shares would not do so and he would be left with less than 200 shares, the Board may, at its discretion, direct that all of his Sale Shares shall be allocated to Offerees before the Sale Shares offered by other Proposing Transferors and the number of shares to be sold by them shall be adjusted accordingly,
- (viii) if any fraction of Sale Shares would be allocated as a result of the operation of sub-paragraphs (i) to (vii) above, such fractions shall not be allocated, but such entitlements shall be rounded down to the nearest whole number and the number of Sale Shares arising as a result of the aggregation of all such fractions shall be allocated at the discretion of the Board

The Company shall also (i) procure that there is paid to each Proposing Transferor the amount owed to such Proposing Transferor in respect of the Sale Shares to be sold by him pursuant to the arrangements set out herein, (ii) determine the aggregate amount payable by each Offeree to whom Sale Shares have been allocated in respect of the purchase of such shares and any stamp duty thereon (hereinafter called the ***Required Amount***) and (iii) arrange for the payment of such stamp duty on behalf of all such Offerees

Upon such allocation being made the Proposing Transferor shall on payment of the fair selling price transfer the shares so sold to the Offeree or Offerees to or amongst whom the same shall have been allocated and, if he makes default in so doing, the Board and any appointed person may receive and give a good discharge for the purchase moneys on behalf of the Proposing Transferor and may authorise some person to execute a transfer or transfers of such Sale Shares in favour of the Offeree or Offerees concerned and enter his or their name or names in the register of Members as a holder or holders by transfer of the said Sale Shares so purchased by him or them. The purchaser or purchasers shall be registered as the holder or holders of the Sale Shares so sold and he or they shall not be bound to see to the application of the purchase

moneys and his or their title to the Sale Shares shall not be affected by any irregularity or invalidity in the proceeds in reference to the sale. If any Non-DRIP Offeree has made payment of any amount in excess of the Required Amount payable by such Non-DRIP Offeree, the Company shall arrange for such excess to be repaid to such Non-DRIP Offeree as soon as reasonably practicable without interest.

In respect of any DRIP Offeree who has an amount standing to his credit in the DRIP Account in excess of the Required Amount payable by such DRIP Offeree, such amount shall remain standing to his credit in the DRIP Account and shall be utilised in the next sale procedure in accordance with paragraphs (b) to (d) above and this paragraph (e) or until such time as the DRIP Offeree submits a DRIP Revocation Notice.

Where an Offeree has delivered a Purchase Notice in accordance with paragraph (d) above and has also given a DRIP Notice in accordance with Article 122A, the Required Amount payable by such Offeree (who shall be both a Non-DRIP Offeree and a DRIP Offeree) shall first be taken from any amount standing to his credit in the DRIP Account and only once such amounts are reduced to zero shall any additional amount paid by such Offeree be utilised to acquire shares in accordance with this paragraph (e).

- (f) In the event of any such shares remaining unsold at the expiration of the Offer Period the Proposing Transferor may at any time within three months thereafter transfer the shares not so sold to any person or persons at a price not being less than that at which the same were offered to the Offerees but subject nevertheless to such of the restrictions of these presents (other than those contained in this Article) as may be applicable.
- (g) Notwithstanding any of the provisions hereinbefore contained, the Board may, at any time it considers advisable send a written notice (hereinafter called the *Discretionary Sale Notice*) to the Members and the Authorised Persons to invite any Member or Authorised Person to notify the Company in writing if, in the case of any Member he wishes to offer any shares for sale or, in the case of any Member or any Authorised Person, he wishes to purchase (subject to paragraph (n)) any shares at such price (being either the fair selling price last certified under Article 29(b) above or a price which is discounted or increased by no more than 20% from that last fair selling price) as may be specified in the Discretionary Sale Notice and otherwise pursuant to the procedure determined by the Board and set out in the Discretionary Sale Notice. For the avoidance of doubt, the procedure referred to above shall be as close as reasonably possible (having regard to the then prevailing circumstances) to that set out in paragraphs (b)-(e) above and any shares not sold pursuant thereto may be sold pursuant to and in accordance with the provisions of paragraph (f) above.

- (h) A Member who wishes to sell any of his shares may, at any time, by notice (hereinafter called the *Issue Request Notice*) request the Board to circulate a notice (hereinafter called the *Members Sale Notice*) which Members Sale Notice shall (reflecting the details set out in the Issue Request Notice) set out, inter alia, the number of shares to be offered by the Member and the price (as chosen by the Member concerned) at which the Member is willing to sell such shares. Any Issue Request Notice shall be in writing and, unless otherwise determined by the Board, shall be irrevocable once made and upon receipt thereof the Board shall, subject as provided below, circulate the Members Sale Notice. If the Company receives a number of Issue Request Notices at the same time, it may circulate all the resulting Members Sale Notices together or combined in one Members Sale Notice. To the extent applicable, the procedure for the issue and consequences of issue of the Members Sale Notice shall be as close as reasonably possible (having regard to the then prevailing circumstances) to that set out in paragraphs (b)-(e) above (save that Members other than the Member who has served the Issue Request Notice shall not be invited to offer shares for sale) and any shares not sold pursuant thereto may be sold pursuant to and in accordance with the provisions of paragraph (f) above.
- (i) Any Member sending an Issue Request Notice shall, except as provided below or as otherwise determined by the Board in its absolute discretion, be liable to pay the amount determined by the Board to be the direct printing and mailing costs incurred by the Company in preparing and circulating the resulting Members Sale Notice and implementing the arrangements set out therein. The Board shall not be obliged to circulate a Members Sale Notice under paragraph (h) above unless the Member has first paid to the Company an amount equal to the Board's estimate of such direct costs. Notwithstanding any of the above, a Member (or group of Members who together have had one Members Sale Notice sent out by the Board on a single occasion) shall not be liable to pay such direct costs where such Member or Members have requested a Members Sale Notice in respect of a number of shares comprising (in aggregate) more than 0.50 per cent of the Company's issued share capital, as calculated on the day the Issue Request Notice is received by the Company.
- (j) Notwithstanding any of the provisions hereinbefore contained, any shares may be transferred free of the rights of pre-emption herein contained:
- (i) by a Member or his executors or administrators to a spouse or civil partner, widow or widower, ascendant or descendant, son-in-law or daughter-in-law, brother or sister, descendant of a brother or sister, brother-in-law or sister-in-law, uncle or aunt, or spouse or civil partner or son or daughter of an uncle or aunt, of

such Member (any such person being hereinafter referred to as a *relative*) and for the purpose of this sub-paragraph a person who has been adopted pursuant to an adoption order of the court of competent jurisdiction anywhere in the world, shall be treated as if he were the child, ; of the adopter and the adopter shall be treated as an ascendant of such adopted child to the exclusion, of its natural parent and a stepchild shall be deemed to be a descendant and once such always to remain such and a brother or sister of the half blood shall be deemed to be of the whole blood;

- (ii) by a Member or his executors or administrators to the trustees of any settlement which in the opinion of the Board is principally for the benefit of any one or more of them, such Member and his relatives,
- (iii) by the trustees of any settlement which in the opinion of the Board is principally for the benefit of any one or more of them, the settlor and his relatives to a beneficiary thereunder who is a relative of the settlor provided that the settlement is one to which the settlor or his executors or administrators has transferred shares in the Company;
- (iv) by a Member or his executors or administrators to the trustees of, or any participant in, the C & J Clark Limited Share Participation Scheme constituted by Trust Deed and Rules dated 20 December 1974 provided that the share to be transferred is or is to be comprised in the said scheme and provided that such transfer has been specifically approved by the Board,
- (v) by a Member or his executors or administrators to Street Trustee Family Company to be held by it as nominee for any relative of such Member or for the trustees of any such settlement as is referred to in sub-paragraph (ii) above or by Street Trustee Family Company to any person for whom that Company is holding such share as nominee or to any beneficiary under any settlement which in the opinion of the Board is principally for the benefit of any one or more of them the settlor and his relatives and for the trustees of which it holds such share as nominee provided that such beneficiary is a relative of the settlor and that the settlement is one to which the settlor or his executors or administrators has transferred the beneficial interest in shares in the Company;
- (vi) by the trustees for the time being of any such settlement as is referred to in article 29 (a)(ii), or in sub-paragraph (iii) above, or the scheme referred to in sub-paragraph (iv) above, or of the C & J Clark Executive Share Trust to the continuing and/or new trustees thereof or by the trustees for the time being of any such

settlement to Street Trustee Family Company to be held by it as a nominee for them;

- (vii) by the 1999 Share Trustees for the time being to a participant in the 1999 Plan or the 1999 Share Scheme, or by the Scheme Trustees to a participant in the Executive Plan or the SIP, who in each case is entitled to have any shares registered in his own name or the names of his personal representative or relatives as appropriate,
  - (viii) by the trustees for the time being of any trust in existence at 3 May 1974 if in the opinion of the Board such trust is principally for the benefit of employees or any one or more of them, the Company and its subsidiaries or is principally for charitable purposes and if the subject matter of such trust at such date comprises or includes shares in the Company, to the continuing and/or new trustees thereof,
  - (ix) by the trustees for the time being of any of the 1999 Share Scheme, the Executive Plan, the SIP or the Scheme referred to in sub-paragraph (iv) above to the trustees for the time being of any other one of these trusts, and
  - (x) by any Member to a nominee for such Member or by any such nominee to another person who is a nominee for such Member provided that, in any such case, the Member certifies to the Board and the Board is satisfied that the entire beneficial interest in the shares the subject of the transfer remains vested in the Member and such Member further undertakes in a form satisfactory to the Board not to transfer or otherwise dispose of the beneficial interest in such shares otherwise than pursuant to these Articles.
- (k) For the purposes of ensuring that the consideration mentioned in a transfer pursuant to paragraph (f) of this Article is the true consideration moving from the transferee or that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a transfer notice is required to be given hereunder the Board may from time to time require any Member or the executors or administrators of any deceased Member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence (including the making of a statutory declaration under the Statutory Declarations Act 1835) as the Board may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Board within a reasonable time after request the Board shall be entitled to refuse to register the transfer in question or (in case no transfer is in

question) to require by notice in writing that a transfer notice be given in respect of the shares concerned. If such information or evidence discloses that a transfer notice ought to have been given in respect of any shares the Board may by notice require that a transfer notice be given in respect of the shares concerned.

- (l) The renunciation by a Member or his executors or administrators of the allotment of any share shall be deemed for the purposes of these presents to be a transfer of such share.
- (m) The Board may make such arrangements as it regards as necessary or desirable for any person (an *appointed person*) as it may in its absolute discretion determine to carry out and perform, either as principal or as agent, any of the duties or obligations expressed to be carried out or performed by the Company or the Board pursuant to this Article.
- (n) For the purposes of this Article 29, an Authorised Person shall mean any Director who is not otherwise an existing Member that the Board may approve from time to time.
- (o) Notwithstanding any of the provisions contained herein, the maximum number of shares that a person may hold in his capacity as an Authorised Person shall be [10,000] (the AP Quota). For the avoidance of doubt, any shares that are held by a person who acquires shares in the Company in a capacity other than as an Authorised Person shall not count towards the AP Quota.

Form and  
signature of  
transfer

- 30 The instrument of transfer of a share shall be in writing in the usual common form and shall be signed by or on behalf of the transferor and (where necessary) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of Members in respect thereof.

Directors may  
refuse to  
register  
transfer

- 31 The Board may decline to register any transfer of shares upon which the Company has a lien by virtue of Article 19 hereof or where any of the provisions of Article 29 hereof, which may be applicable, have not been complied with, or made by a Member who is indebted to the Company, or to a transferee of whom the Board does not approve, in which latter case the Board may act in its absolute discretion and shall not be bound to assign any reason for withholding its consent to the registration of the transfer. Provided that no transfer shall be registered which, if registered, would make the number of members exceed the limit hereinbefore prescribed.

- 32 The Board may also decline to recognise any instrument of transfer unless

- (a) such fee not exceeding one pound as the Board may from time to time require is paid to the Company in respect thereof;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer, and
- (c) the instrument of transfer is in respect of only one class of share.

When refusal  
to transfer to  
be notified

- 33 If the Board refuses to register a transfer it shall within two months after the date on which the transfer was lodged send to the transferee notice of the refusal

Closing of  
register

- 34 The register of transfers may be closed at such times and for such periods as the Board may from time to time determine, provided always that it shall not be closed for more than 30 days in any year

Fee on  
registrations  
etc.

35. The Company shall be entitled to charge a fee of one pound on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, distringas notice or other instrument relating to or affecting the title to any share

#### TRANSMISSION OF SHARES

Transmission  
of shares of  
deceased  
holder

- 36 In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him

As to transfer  
of shares of  
deceased or  
bankrupt  
Members

37. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof

Procedure for  
transmission  
or transfer of  
shares

- 38 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 his nominee registered he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these presents 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 had not occurred and the notice or transfer were a transfer signed by such Member

**Rights of  
persons  
entitled by  
transmission**

- 39 Subject to the provisions of the preceding Article hereof, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to receive notices of or to attend or vote at meetings of the Company or, save as aforesaid, to any of the rights or privileges of a Member until he shall have become a Member in respect of such share.

### **FORFEITURE OF SHARES**

**If call or  
instalment not  
paid, notice  
may be given**

- 40 If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board 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 and expenses which may have accrued

**Forms of  
notice**

- 41 The notice shall name a further day 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 in respect of which such call was made will be liable to be forfeited.

**If notice not  
complied with  
shares may be  
forfeited**

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

**Notice of the  
forfeiture**

- 43 When any share has been forfeited notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by reason of the death or bankruptcy of the holder (as the case may be), but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid
- 44 Subject to the provisions of the Statutes, a forfeited share may be sold or re-allotted or otherwise disposed of either to the person who was before the forfeiture the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Board shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit

**Arrears to be  
paid notwith-  
standing  
forfeiture**

- 45 A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture



were presently payable by him to the Company in respect of the share with interest thereon at 10 per cent per annum from the date of forfeiture until payment, but his liability shall cease if and when the Company receives payment in full of the nominal amount of the shares together with such interest as aforesaid

- |                               |    |   |
|-------------------------------|----|---|
| <b>Evidence of forfeiture</b> | 46 | A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited 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, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share |
|-------------------------------|----|---|

## STOCK

- |   |     |   |
|---|-----|---|
| <b>Conversion of shares into stock and re-conversion</b>                | 47. | The Company in General Meeting may convert any paid-up shares into stock, and may re-convert any stock into paid-up shares of any denomination.   |
| <b>Rights of transfer of stock</b>                                      | 48  | The holders of stock may transfer the same, or any part thereof, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in sums of £1 or multiples of £1, or such less amount, if any, as the Board shall from time to time prescribe as the minimum amount of stock of any class to be transferred.   |
| <b>Rights of stockholders</b>   | 49  | The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and assets of the Company) shall be conferred by any fractional part of £1 stock or of other the amount for the time being prescribed by or pursuant to these presents as the minimum amount of the stock of the class to be transferred |
| <b>Right of Company to enforce sale of fractional holdings of stock</b> | 50  | Stock of any class shall only be held in sums or multiples of £1, or other the amount for the time being prescribed by or pursuant to these presents as the minimum amount of stock of the class to be transferred, and if and whenever any Members' holdings of stock of any class for any reason consist of or include fractions of £1 (or other the sum prescribed as aforesaid) of stock, the Board shall be empowered to sell the stock  |

represented by such fractional holdings for the best price reasonably obtainable and shall pay and distribute the net proceeds of sale to and amongst the Members entitled to such fractions in due proportions For the purpose of giving effect to any such sale the Board may authorise any person to transfer the stock sold to the purchaser thereof and the purchaser shall be registered as the holder of the stock comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the stock be affected by any irregularity or invalidity in the proceedings with reference to the sale.

*Shares to  
include stock*

- 51 All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock and the words *share* and *shareholder* herein shall include *stock* and *stockholder*

#### INCREASE OF CAPITAL

*Power to  
increase  
capital*

- 52 The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe
- 53 The new shares shall be subject to the same provisions, with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise, as the shares in the capital at the date of adoption of these presents and subject to the provisions of these presents shall have attached thereto such rights as to dividend and participation in assets in a winding up as the Company may by the resolution increasing the capital or by any subsequent Ordinary Resolution passed before the issue of the new shares determine. Unless or until otherwise so determined the new shares shall be Ordinary Shares

#### ALTERATIONS OF CAPITAL

- 54 The Company may by Ordinary Resolution

*Consolidation  
of shares*

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

*Sub-division  
of shares*

- (b) subject to the provisions of the Statutes, sub-divide or consolidate and divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, and so that the Resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

Cancellation  
of reduction of  
unissued  
shares

- (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled,

and may also by Special Resolution

Reduction of  
capital

- (d) reduce its capital and any capital redemption reserve fund in any manner and with and subject to any incident authorised and consent required by law

### GENERAL MEETINGS

Ordinary and  
Extraordinary  
General  
Meetings

- 55 A General Meeting shall be held in every year at such time (within a period of not more than fifteen calendar months after the holding of the last preceding General Meeting) and place as may be determined by the Board. The above mentioned General Meetings shall be called Ordinary General Meetings, all other General Meetings shall be called Extraordinary General Meetings

When Extra-  
ordinary  
General  
Meeting to be  
called

- 56 The Board may call an Extraordinary General Meeting whenever it thinks fit. The Board shall, on the requisition of Members in accordance with the requirements of the Statutes, forthwith proceed to convene an Extraordinary General Meeting

### NOTICE OF GENERAL MEETINGS

Notice of  
meeting

- 57 Subject to the provisions of the Statutes relating to meetings convened for the purpose of passing Special Resolutions, fourteen days' notice (inclusive of the day on which the notice is served or deemed to be served but exclusive of the day for which the notice is given) specifying the place, the day and the hour of meeting, and in case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such Members as are under the provisions herein contained entitled to receive notices from the Company. The accidental omission to give notice to, or the non-receipt of notice by, any Member shall not invalidate the proceedings at any General Meeting

### PROCEEDINGS AT GENERAL MEETINGS

Ordinary and  
special  
business

- 58 All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Ordinary General Meeting with the exception of sanctioning dividends, the consideration of the accounts and the reports of the Directors and Auditors, the election of Directors and Auditors and other officers in the place of those retiring by rotation or otherwise and the fixing of the remuneration of the Auditors and any remuneration of the Directors.

- Quorum** 59 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided by these presents or required by the Statutes, three Members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of the Statutes.
- Adjournment or dissolution for lack of quorum** 60 If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place and, if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, the Members present and entitled to vote, whatever their number, shall have power to decide upon all matters which could properly have been disposed of at the meeting from which such adjournment arose.
- Chairman of General Meeting** 61 The Chairman of the Board or in his absence the Deputy Chairman (if any) shall preside as Chairman at every General Meeting of the Company. If there is no such Chairman or Deputy Chairman or if at any meeting neither of them be present within fifteen minutes after the time appointed for holding the meeting or if neither of them is willing to act as Chairman, the Directors present shall choose one of their number to act or, if one Director only is present, he shall preside as Chairman if willing to act. If no Director is present, or if all the Directors present decline to take the chair, the Members present shall choose one of their number to be Chairman.
- Adjournment** 62. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, 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. When a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- How resolution to be decided** 63. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or in writing by at least three Members present in person and entitled to vote or by any Member or Members present in person or by proxy and entitled to vote in respect of not less than one-tenth of the issued share capital of the Company entitling the holders to vote at the meeting. Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands 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 of proceedings 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

<b>Effect on resolution of irregularity in votes</b>	64	If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution, unless it be pointed out at the same meeting, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution
<b>Poll</b>	65	If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
<b>Casting vote of Chairman</b>	66	In the case of an equality of votes on any resolution, whether on a show of hands or upon a poll, the Chairman shall be entitled to a casting vote
<b>When poll to be taken</b>	67	A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairman directs
<b>Business to proceed notwithstanding demand of a poll</b>	68	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.

#### **VOTES OF MEMBERS**

<b>Votes of Members</b>	69.	Subject to any special terms as to voting upon which any capital may be issued or may from time to time be held, on a show of hands every Member who is present in person shall have one vote. On a poll every Member who is present in person or by proxy shall have one vote for every Ordinary Share and one vote for every ten Preference Shares held by him. Any Member holding less than ten Preference Shares shall not be entitled on a poll to vote in respect of his Preference Shares
<b>Joint holders</b>	70	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
<b>Corporation</b>	71	A corporation, being a Member, may vote by any officer or duly authorised representatives, who shall be entitled to speak, demand a poll, vote, act as proxy and in all other respects exercise the rights of a Member and shall be reckoned as a Member for all purposes

- Members of unsound mind** 72 A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee, *curator bonis* or other person in the nature of a committee or *curator bonis* appointed by such court, and such committee, *curator bonis* or other person may on a poll vote by proxy
- No Member entitled to vote while calls due to the Company** 73 No Member shall be entitled to be present or vote either in person or by proxy at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- When objection to qualification of voter may be taken** 74 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
- Voting on a poll** 75 On a poll, votes may be given either personally or by proxy The appointment of a proxy shall be in writing executed by the appointor, or his attorney duly authorised in writing, or, if the appointor is a corporation, either under the common seal or executed by an officer or attorney so authorised
- Who may act as proxy** 76. No person shall act as a proxy unless either he is entitled on his own behalf to be present and vote at the meeting at which he acts as proxy or he is appointed to act at that meeting as the representative of a corporation in accordance with the requirements of the Statutes.
- Delivery /receipt of proxy appointment** 77 The appointment of a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be delivered to the Company not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, and, in default, the appointment of proxy shall not be treated as valid. No appointment of a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.
- 78 An instrument appointing a proxy may be in the following form or in any other form which the Board shall approve.

### **C.& J. CLARK, LIMITED**

I/We, being (a) Member(s) of the above-named Company, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, as my/our proxy to vote for me/us and on my/our behalf at the (Ordinary or Extraordinary, as the case may be)

General Meeting of the Company to be held on the \_\_\_\_ day of \_\_\_\_, 19\_\_, and at any adjournment thereof.

Signed this \_\_\_\_ day of \_\_\_\_, 19\_\_

When vote by  
proxy valid  
though  
authority  
revoked

- 79 A vote given in accordance with the terms of an appointment of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

### DIRECTORS

Number of  
Directors

- 80 Unless and until otherwise determined by the Company in General Meeting, the Directors shall be not less than two or more than twelve in number

Appointment  
of alternate  
Director

- 81 Each Director shall have the power to nominate any other Director or any other person approved by the Board for the purpose to act as alternate Director in his place at any meeting or meetings at which he is not present, and at his discretion to remove such alternate Director, and on such appointment being made the alternate Director shall (except as regards qualification and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, whilst so acting, shall exercise and discharge all the functions, powers and duties of the Director he represents. Any Director acting as alternate Director shall have an additional vote at Board Meetings for each Director for whom he acts as alternate Director, and any person other than a Director acting as alternate Director shall have one vote for each Director for whom he acts as alternate. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. Any appointment of an alternate Director shall be delivered to the Company and shall, as nearly as circumstances will admit, be in the form or to the effect following

### C. & J. CLARK, LIMITED

I, being a Director of the above-named Company, in pursuance of the power in that behalf contained in the Articles of Association of the Company, do hereby nominate and appoint \_\_\_\_ to act as alternate Director in my place at all meetings of the Board at which I may not be present

Signed this \_\_\_\_ day of \_\_\_\_, 19\_\_

- 82 (a) Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all fees paid to Directors (excluding amounts payable under any other provision of these Articles) shall not exceed the sum of £450,000 per annum (adjusted in respect of each calendar year for any increase in the Retail Prices Index in the period from the date of adoption of this Article to the end of the preceding calendar year) or such other amount as shall be decided by Ordinary Resolution of the Company
- (b) Each of the Directors shall be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings of the Company or any other meeting which as a Director he is entitled to attend and shall also be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director
- (c) For the purposes of this Article *Retail Prices Index* means the index of that description published from time to time by the Central Statistical Office of Her Majesty's Government or such other successor index as shall from time to time amend or replace it
- 82A Subject to the provisions of Articles 96A to 96E and without in any way limiting or restricting the general powers of the Board to grant pensions, allowances or other similar payments to officers, or ex-officers, employees or ex-employees of the Company, or the dependants or connections of any such persons it is hereby expressly declared that any salaried Director (as hereinafter defined) may participate in any pension or assurance scheme for the benefit of the Company's employees, whether the Company contributes thereto or not, and that the Board may accordingly include in any such scheme, or may make such grant or pay such pension or other retiring or similar allowance to, any salaried Director or his relatives, connections or dependants upon such terms as the Board may think fit. It shall be no objection to any such inclusion, grant, or payment that the salaried Director remains an ordinary Director of the Company entitled to participate in the ordinary remuneration payable to the Directors. Any salaried Director may vote as a Director upon any Resolutions affecting or relating to any such scheme, pension, grant or allowance, or relating to his participation therein, notwithstanding that he is or may be interested therein. For the purpose of this Article the expression *salaried Director* means a Managing Director and any other Director holding any salaried employment or office under the Company in respect of which he is paid remuneration beyond his ordinary remuneration as a Director but it is hereby expressly declared that such expression does not include a Director in respect of his ordinary services as a Director



- 82B Without prejudice to the provisions of Article 145 and subject to the provisions of Articles 96A to 96E, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any other such company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund. For the purposes of this Article *holding company* and *subsidiary undertaking* shall have the same meanings as in the 2006 Act

A Director may hold office in companies in which the company is interested and may retain remuneration

83. Subject to the provisions of Articles 96A to 96E, a Director of this Company may be or become a director or other officer of, or otherwise interested in, any company incorporated in the United Kingdom or elsewhere and promoted by this Company or in which this Company may be interested as shareholder or otherwise and unless and so far as the Board may otherwise determine, no such Director shall be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by this Company in such manner in all respects as it thinks fit, including the exercise of such voting power in favour of any resolution appointing any of its number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company. And any Director of this Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such or in any other manner is or may be interested in the exercise of such voting rights in manner aforesaid

Remuneration for special services

84. Any Director who by request performs special services or goes or resides abroad for any purposes of the Company shall (unless otherwise expressly resolved by the Company in General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

Age limit for  
Directors

85 [Intentionally left blank]

When office of  
Director is to  
be vacated

86.(a) Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of a Director shall be vacated if

- (i) he resigns his office by writing under his hand left at the Office; or
  - (ii) he is found lunatic or of unsound mind or becomes bankrupt or compounds with his creditors, or
  - (iii) the Board resolves he is physically or mentally incapable of performing his duties as a Director; or
  - (iv) he is absent otherwise than on the business of the Company from meetings of the Board for six calendar months without cause, or without special leave of absence from the Board and the Board resolves that his office is vacated, or
  - (v) he is prohibited by law from being a Director, or
  - (vi) being an executive Director, he ceases to hold any employment or executive office with the Company (including that of Managing Director), or
  - (vii) being a non-executive Director, and unless otherwise expressly resolved by a Special Resolution of the Company in General Meeting, he has been a non-executive Director for a period or periods which in aggregate exceed 108 months (the *Period*), provided that any periods during which a non-executive Director carries out the office of Chairman of the Company, being duly appointed under Article 111, shall not count towards the Period.
- (b) In the case of a Director required to vacate his office by reason of sub-paragraph (vii) of paragraph (a) of this Article, he shall so vacate his office at the conclusion of the Ordinary General Meeting commencing next after the expiry of the relevant Period giving rise to the requirement that he so vacate his office under such sub-paragraph.
- (c) For the purposes of this Article the following expressions shall have the following meanings:
- (i) *executive Director* shall mean a Director who at the relevant time is either the Managing Director or any other Director holding any salaried employment or office under the Company in respect of which he is paid remuneration beyond his ordinary remuneration as a Director (if any) and in respect of which he is required to devote substantially the whole of his working time to the

Company being not less than 25 hours per week (exclusive of meal breaks), and

- (11) *non-executive Director* shall mean a Director who at the relevant time is not an *executive Director* as defined in this sub-paragraph (c)

#### POWERS AND DUTIES OF THE BOARD

Business of the  
Company  
generally to be  
managed by  
the Board

- 87 The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting, subject, nevertheless, to any regulations of these presents, to the provisions of the Statutes 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 regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

88. The general powers given by the last preceding Article shall not be limited or restricted by any special authority or power given to the Board by any other Article

Local boards  
and agencies

- 89 The Board may establish any local boards or agencies for managing any of the affairs of the Company either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board 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 Board may think fit, and the Board may remove any persons 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  
Company to  
appoint  
attorneys

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

**Borrowing  
powers  
exercisable by  
Board**

91. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debenture and other securities. The Board shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise it can secure) that, save with the previous sanction of an ordinary resolution of the Company, no money shall be borrowed if the aggregate principal amount (including any premium payable on final repayment) outstanding of all moneys borrowed by the Group (exclusive of any intra-Group borrowings) then exceeds or would as a result of such borrowing exceed an amount equal to the aggregate of.

- (a) the amount paid up or credited as paid up on the share capital of the Company, and
- (b) the total standing to the credit of the reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve fund and credit balance on the combined profit and loss account) but excluding sums set aside for taxation and amounts attributable to outside shareholders in subsidiaries and deducting any debit balance on the combined profit and loss account, all as shown in a consolidation of the then latest audited balance sheets of the Group, but adjusted as may be necessary in respect of any variation in the paid up share capital or share premium account of the Company since the date of its latest audited balance sheet. For the purposes of the foregoing
  - (i) the amount outstanding in respect of acceptances by the Company or by any subsidiary of the Company or by any bank or acceptance house under any acceptance credit opened on behalf of the Company or any subsidiary of the Company (not being acceptances in relation to the purchase of goods in the ordinary course of business) shall be taken into account as moneys borrowed,
  - (ii) moneys borrowed for the purpose of repaying the whole or any part of any moneys previously borrowed and then outstanding (including any premium payable on final repayment thereof) and applied for that purpose within four months of such borrowing shall not, pending such application, be taken into account as moneys borrowed; and

- (iii) the principal amount (including any premium payable on final repayment) of any debentures issued in whole or in part for a consideration other than cash shall be taken into account as moneys borrowed by the company issuing the same,
- (iv) the expression **Group** shall mean and include any one or more of the Company and any subsidiary or subsidiaries for the time being of the Company.

No debt incurred or security given in respect of moneys borrowed or to be taken into account as moneys borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

**Directors may hold other office** 92. A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration, exemption from retirement by rotation and otherwise) as the Board may determine

**Directors may contract with Company** 93 [No Article]

**Signatures of cheques etc** 94. All cheques, promissory notes, drafts, bills of exchange and other negotiable 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 Board shall from time to time by resolution determine.

**Power to close Registers of Debenture-holders** 95. The Board may close any Register of Debenture-holders of the Company during such period or periods (not exceeding in the case of each such Register thirty days altogether in each year) as it thinks fit.

**Minutes** 96 The Board shall cause minutes to be made in books provided for the purpose

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors present at each Board or Committee meeting,
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of the Committees.

## DIRECTORS' INTERESTS

96A For the purposes of section 175 of the 2006 Act, the Board may authorise any matter proposed to it in accordance with these presents which would, if not so authorised, involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted

The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted. The Board may vary or terminate any such authorisation at any time.

For the purposes of these presents, a conflict of interest includes a conflict of interest and duty and a conflict of duties, an interest includes both direct and indirect interests.

Director's  
contract with  
the Company

96B Provided that he has disclosed to the Board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the 2006 Act apply, in which case no such disclosure is required) a Director notwithstanding his office.

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- (c) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested

Remuneration  
, benefits etc

96C A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or

from any interest in any body corporate the acceptance, entry into or existence of which has been approved by the Board pursuant to Article 96A, or which he is permitted to hold or enter into by virtue of Article 96B. The receipt of any such remuneration or other benefit shall not constitute a breach of his duty under section 176 of the 2006 Act

**Notification of  
interests**

96D Any disclosure required by Article 96B may be made at a Board Meeting, by notice in writing or by general notice or otherwise in accordance with section 177 of the 2006 Act.

**Consequences  
of  
authorisation**

96E Where the existence of a Director's relationship with another person has been approved by the Board pursuant to Article 96B and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he

(a) absents himself from Board Meetings at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

(b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

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

#### **MANAGING DIRECTOR**

**Power to  
appoint  
Managing  
Directors and  
Managers**

97. The Board may from time to time appoint one or more of its body to the office of Managing Director or Manager and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director appointed to the office of Managing Director shall, without prejudice to any rights or claims which such person may have pursuant to the provisions 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 his appointment shall (save as aforesaid) be subject to determination ipso facto if he ceases for any cause to be a Director.

**Remuner-  
ation of  
Managing  
Director and  
Manager**

98 A Managing Director or Manager shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Board may determine.

- 99 The Board may entrust to and confer upon a Managing Director or Manager any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers

#### THE SEAL

- 100 (a) The Seal shall not be affixed to any document except by the authority or a resolution of the Directors (or a committee authorised by the Directors in that behalf). Any document may be executed under the Seal by impressing the Seal by mechanical means or by printing the Seal or a facsimile of it on such document or by applying the Seal or a facsimile of it by any other means to such document
- (b) Every document to which the Seal shall be affixed shall, unless the Directors otherwise resolve and save as provided in this Article 100, be signed by one Director and the Secretary or by two Directors. In respect of any document signed by one Director and the Secretary or by two Directors, the Directors may by resolution determine that such signatures or either of them shall be printed or affixed by some method or system of mechanical signature. Where the Seal has been affixed in such manner the document shall be conclusively deemed to have been executed in accordance with the requirements of these Articles and to have taken effect accordingly
- (c) Any official seal kept by the Company by virtue of section 40 of the 1985 Act shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with such Seal shall not be required to be signed

#### ROTATION OF BOARD

- 101 At the Ordinary General Meeting in every year one-third of the Directors for the time being (other than any Director exempt from retirement by rotation under any other provision of these presents) shall retire from office. If their number is not a multiple of three the number nearest to but not being greater than one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting

- 102 The Directors to retire in every year shall be those who have been longest in office since their last election or appointment, but as between persons who became Directors or were last elected on the same day



those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election

- |   |      |   |
|---|------|---|
| <b>Meeting to fill vacancies</b>                                      | 103  | The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto, unless at such meeting it is expressly resolved not to fill up such vacated office. The Company may also in General Meeting elect a person to be a Director either to fill a casual vacancy or as an addition to the existing Board   |
| <b>Nomination of person for election as Director</b>                  | 104  | No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of a Director at any General Meeting unless, not less than seven and not more than fourteen clear days before the day appointed for the Meeting, there shall have been left at the Office (or if in electronic form, sent to such address, if any, for the time being specified by or on behalf of the Company for that purpose) notice in writing by some Member entitled to vote at the Meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to act |
| <b>Retiring Director to remain in office till successor appointed</b> | 105  | If, at any meeting at which an election of Directors ought to take place, the place of any Director retiring at such meeting is not filled, such Director if offering himself for re-election shall be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill up such place  |
| <b>Power to remove Director by Extraordinary Resolution</b>           | 106. | The Company may by Extraordinary Resolution remove any Director before the expiration of his period of office and may by an 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 last elected a Director   |

#### **PROCEEDINGS OF BOARD**

- |                              |     |  |
|------------------------------|-----|--|
| <b>Meetings of Directors</b> | 107 | The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes, in the case of an equality of votes the Chairman having a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board Meeting. It shall not be necessary to give notice of a Board Meeting to any Director for the time being absent from the United Kingdom |
| <b>Quorum</b>                | 108 | A meeting of the Board 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 Board. The quorum necessary for the   |

transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be three

**Power to continuing Director to act notwithstanding vacancy**

109. The continuing Directors may act notwithstanding any vacancies in their body but if and so long as their number is reduced below the minimum fixed by these presents the continuing Directors may act for the purpose of filling up vacancies in their body or of summoning a General Meeting of the Company but not for any other purpose.

**Power to appoint Directors to fill casual vacancy or as an addition to the Board**

- 110 The Board shall have power at any time and from time to time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents Any Director so appointed shall hold office until the next following Ordinary General Meeting and shall then be eligible for re-election

**Election of Chairman and Deputy Chairman**

- 111 The Board may elect a Chairman and Deputy Chairman of its meetings and determine the period for which they are respectively to hold office If no such Chairman or Deputy Chairman be elected, or if at any meeting neither of them 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

**Delegation of duties to committees**

- 112 The Board may delegate any of its powers to committees consisting of such Member or Members of its body as it thinks 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 Board

**Meetings of committee**

- 113 The meetings and proceedings of any committee consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations imposed by the Board under the provisions of the preceding Article

**Validity of Acts of Board and committees notwithstanding defect in appointment etc**

- 114 All acts done by any Board or Committee Meeting or by any person acting as a Director shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.

**Resolution without Board Meeting valid**

- 115 A resolution in writing signed by all the Directors for the time being entitled to receive notice of Board Meetings shall be as valid and effectual as if the same had been passed at a Board Meeting duly convened and held

## DIVIDENDS AND RESERVE

- |                                |      |  |
|--------------------------------|------|--|
| Payment of dividends           | 116  | The profits of the Company available for dividend and resolved to be distributed shall be applied in paying dividends to the Members according to their rights and priorities. The Company in General Meeting may declare dividends accordingly but no dividend shall be paid in excess of the amount recommended by the Board   |
| Payment of interim dividends   | 117. | The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company   |
| How dividends to be calculated | 118. | All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but no amount paid on a share in advance of calls shall while carrying interest be treated for the purposes of this Article as paid on the share All dividends shall be apportioned and paid <i>pro rata</i> according to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.                              |
| Reserve                        | 119  | The Board may from time to time set aside out of the profits of the Company and carry to reserve or reserves such sums as it thinks proper which shall at the discretion of the Board be applicable for meeting contingencies or for the liquidation of any debt or liability of the Company or for repairing or maintaining or providing for obsolescence and depreciation of works, plant and machinery or other assets of the Company or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to divide |
| Debts may be deducted          | 120  | The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of call or otherwise  |
|                                | 121  | No dividend (and, in accordance with Article 122A, no amount standing to the credit of the DRIP Account) shall bear interest as against the Company  |
| Payment by cheque or warrant   | 122. | Until otherwise directed and save as provided for in Article 122A, any dividend or interest payable in cash to the registered holders of shares shall be paid by cheque or warrant sent through the post directed to the holder at his registered address or, in the case of joint holders, directed to the holder whose name stands first on the register in respect of the shares. Every such cheque or warrant shall, unless the holder or holders otherwise direct, be made payable to the order of the registered holder  |

or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares, and shall be sent at his or their risk. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by such joint holders

**DRIP** 122A This Article 122A sets out the provisions governing the Company's discretionary dividend reinvestment plan (the **DRIP**), the terms of which shall apply in respect of all dividends declared following notification given in writing to Members by the Board of its intention to introduce the DRIP.

- (a) Subject to paragraph (e) below, a Member may at any time give notice (a **DRIP Notice**) in writing to the Board that he wishes for the amount of any dividend or, subject to paragraph (b) below, all future dividends (in each case whether declared by the Company pursuant to Article 116 or by the Board pursuant to Article 117) which he would otherwise be paid in accordance with Article 122 to be transferred to a non-interest bearing account in the name of, and administered by, the Company (the **DRIP Account**) and such amounts to be used to purchase Sale Shares pursuant to the procedure set out in paragraphs (b)-(e) of Article 29, provided that if served after the date which is 14 days prior to the record date set by the Board for a particular dividend, such DRIP Notice shall only be effective for future dividends
- (b) Once given pursuant to paragraph (a) above, a Member may revoke a DRIP Notice at any time by giving a further notice (a **DRIP Revocation Notice**) in writing to the Board and the Company shall arrange for any amounts standing to the credit of such Member in the DRIP Account to be paid to such Member as soon as reasonably practicable and in accordance with Article 122 above, provided that if served after the date which is 14 days prior to the record date set by the Board for a particular dividend, such DRIP Revocation Notice shall only be effective for future dividends declared by the Company or the Board (as the case may be) and any amount in respect of such current dividend shall be transferred to the DRIP Account as if no such DRIP Revocation Notice had been served and any amounts standing to the credit of such Member in the DRIP Account shall first be applied in purchasing Sale Shares offered for sale pursuant to the next share sale procedure in accordance with paragraphs (b)-(e) of Article 29.
- (c) Subject to paragraph (d) below, a DRIP Notice given by a Member pursuant to paragraph (a) above shall be given in respect of the full amount (and not part only) of the dividend(s) he would otherwise be paid in accordance with Article 122

- (d) Where a Member holds 10,000 or more shares in the Company, such Member shall be entitled to give a DRIP Notice in respect of the relevant dividend(s) in relation to (i) all of the shares in the Company held by such Member or (ii) (in the absolute discretion of such Member) any lesser number of shares in the Company held by such Member, **provided that** where such a Member has given a DRIP Notice in respect of a number of shares which is less than such Member's full holding of shares in the Company and such Member's shareholding subsequently falls below 10,000 shares, such Member shall be deemed to have given a DRIP Revocation Notice in accordance with paragraph (d) above
- (e) At any time, and in the Board's absolute discretion, the Board may notify Members in writing that it intends to disapply the DRIP for a particular dividend or to discontinue the DRIP for all future dividends (in each case, a **DRIP Stop Notice**), save that in order to be effective for the dividend next following the date of the DRIP Stop Notice, any such notice shall be given by the Board to participating Members not less than seven days prior to the record date set by the Board for such dividend. In the event that the Board does give a DRIP Stop Notice, any Member which has given a DRIP Notice pursuant to paragraph (a) above shall be deemed also to have given a DRIP Revocation Notice and the Company shall arrange for any amounts standing to the credit of such Member in the DRIP Account to be paid to such Member as soon as reasonably practicable and in accordance with Article 122 above. For the avoidance of doubt, the Board may, at any time and in its absolute discretion, reintroduce the DRIP after it has served a DRIP Stop Notice.

Payment of  
dividend in  
specie

- 123 Any General Meeting declaring a dividend or bonus or the Board may direct payment of such dividend or bonus be wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any company or in any one or more of such ways, and the Board shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Board may settle the same at it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board

## CAPITALISATION OF PROFITS

Power of  
Company in  
General  
Meeting to  
direct  
capitalisation  
of profits

124 The Company may, upon the recommendation of the Board, from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account or any capital redemption reserve fund and accordingly that such amount to be set free for distribution among the Members or any class of Members who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that

- (a) for the purposes of this Article a share premium account and a capital redemption reserve fund may be applied only in the paying up of unissued shares to be issued to such Members, credited as fully paid, and
- (b) where the amount capitalised is applied in paying up unissued shares in the Company, the Company may resolve that the amount to be capitalised be set free for distribution, and that such shares be allotted and distributed, as nearly as practicable in proportion to the number of shares held by the Members concerned respectively without necessitating the adjustment of the rights of the Members by cash payments or the issue of fractions of shares.

125 Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

## ACCOUNTS

Accounts to be  
kept

126 The Board shall cause true accounts to be kept.

- (a) of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and
- (b) of all sales and purchases of goods by the Company; and
- (c) of the assets and liabilities of the Company

**Where to be kept** 127 The books of account shall be kept at the Office or at such other place or places as the Board thinks fit, and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Board.

**Annual Account and Balance Sheet** 128 Once at least in every year the Board shall lay before the Company in General Meeting a profit and loss account and a balance sheet both made up to a date not more than nine months before the meeting, in such form and containing all such particulars with regard to the capital, the assets and the liabilities of the Company as are required by the Statutes

**Signature of balance sheet** 129. Every such balance sheet as aforesaid shall be signed on behalf of the Board by two of the Directors and shall have attached to it a report of the Board as to the state of the Company's affairs and the amount (if any) which it recommends to be paid by way of dividend to the Members and the amount (if any) which it proposes to carry to reserve. It shall also have attached to it the Auditors' report

**Circulation of Reports and Accounts to Members** 130 A copy of such profit and loss account, balance sheet and reports of the Board and of the Auditors shall, seven days previously to the meeting, be kept at the office open for the inspection of the Members but, except with the sanction of the Board or as required by the Statutes, shall not be circulated

## AUDIT

**Appointment of Auditors** 131 The Company shall at the Ordinary General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Ordinary General Meeting and shall fix his or their remuneration.

**Failure to appoint Auditor** 132. If an appointment of Auditors is not made at any meeting at which it ought to be made under the provisions of the preceding Article, the Board of Trade may, on the application of any Member of the Company, appoint an Auditor of the Company for the current year and fix the remuneration to be paid to him by the Company for his services.

**Who may not be appointed as Auditor** 133. No Director or other officer of the Company, no person who is a partner of or in the employment of an officer of the Company and no corporation shall be capable of being appointed Auditor of the Company

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|--|-----|---|
| <b>Casual vacancy in office of Auditor</b>             | 134 | The Board may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act   |
| <b>Nomination of person for appointment as Auditor</b> | 135 | A person other than a retiring Auditor shall not be capable of being appointed Auditor at an Ordinary General Meeting unless notice of the intention to nominate that person to the office of Auditor has been given by a Member to the Company not less than 14 days before the meeting, and the Company shall send a copy of any such notice to the retiring Auditor, and shall give notice thereof to the Members not less than seven days before the meeting. Provided that if, after a notice of the intention to nominate an Auditor has been so given, an Ordinary General Meeting is called for a date 14 days or less after the notice has been given, the notice though not given within the time required by this provision shall be deemed to have been properly given for the purposes thereof; and the notice to be sent or given by the Company may, instead of being sent or given within the time required by this provision, be sent or given at the same time as the notice of the Ordinary General Meeting. |
| <b>Auditor to have access to books</b>                 | 136 | Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company, and shall be entitled to require from the Board and officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditors   |
| <b>Report of Auditors</b>                              | 137 | <p>The Auditors shall make a report to the Members on the accounts examined by them and on every balance sheet laid before the Company in General Meeting during their tenure of office, and the report shall state</p> <p>(a) whether or not they have obtained all the information and explanations they have required, and</p> <p>(b) whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of their information and the explanations given to them and as shown by the books of the Company.</p>   |
|  | 138 | The Auditors' report shall be read before the Company in General Meeting, and shall be open to inspection by any Member.  |

#### COMMUNICATIONS

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|--------------------------------|------|--|
| <b>How notice to be served</b> | 139. | (a) Any notice to be sent to or by any person pursuant to these presents (other than a notice calling a Board Meeting) shall be in writing |
|--------------------------------|------|--|



- (b) Subject to Article 139 (a) and unless otherwise provided by these presents, the Company shall send a document or information that is required or authorised to be sent to a Member or any other person by the Company in such form and by such means as it may determine provided that the relevant provisions of the 2006 Act shall apply
- (c) Subject to Article 139.(a) and unless otherwise provided by these presents, a Member or a person entitled by transmission to a share shall send a document or information pursuant to these presents to the Company in such form and by such means as it may determine provided that
  - (i) the determined form and means are permitted by the Statutes; and
  - (ii) unless the Board otherwise permits, any applicable condition or limitation specified in the Statutes is satisfied.

Unless otherwise provided by these presents or required by the Board, such document or information shall be authenticated in the manner specified by the Statutes

In the case of joint holders of a share notices shall be given to that one of the joint holders whose name stands first in the Register of Members, and notices so given shall be sufficient notice to all the joint holders.

- (d) The Board may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic communications for the sending of notices and documents by the Company to Members or persons entitled by transmission and by Members or persons entitled by transmission to the Company

**Members  
resident  
abroad**

- 140. Any Member described in the Register of Members by an address not within the United Kingdom who shall, from time to time, give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address (provided that, in the case of a document sent by electronic means, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion), but save as aforesaid no Member other than a Member described in the Register of Members by an address within the United Kingdom shall be entitled to receive any notice from the Company

**When notices  
are served**

- 141. Any document or information
  - (1) if served by post shall be deemed to have been served at the expiration of twenty-four hours after the time when the letter containing

the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the document or information was properly addressed and posted,

(2) if served by an electronic communication shall be deemed to have been served on the day following that on which the electronic communication was sent to the Member, notwithstanding that the Company becomes aware that the Member has failed to receive the relevant document or information for any reason and notwithstanding that the Company subsequently sends a copy of such document or information by post to that Member, or

(3) if served via a website shall be deemed to have been served 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 this availability Receipt shall be deemed to be on that day notwithstanding that the Company becomes aware that the Member has failed to receive the relevant document or information for any reason

Validity of  
notice  
notwith-  
standing death  
etc , of  
Member

142. A document or information may be sent or supplied by the Company to any person entitled by transmission to a share by sending it in any manner authorised by these presents for the sending of a document or information to a Member, at the address (if any) in the United Kingdom as may be supplied by or on behalf of the person claiming to be so entitled Until such an address has been supplied, a document or information may be sent in any manner in which it might have been sent if the event giving rise to the transmission had not occurred

## WINDING UP

Distribution of  
surplus assets  
on winding up

- 143 The surplus assets of the Company upon the winding up thereof shall be applied in the first place in paying off the capital paid up on the Preference Shares in the Company's capital and any arrears of dividend thereon (whether declared or not) up to the commencement of the winding up, then in repaying to the holders of the Ordinary shares the amount paid up on such shares and the residue (if any) shall be divided among the Members holding Ordinary Shares in proportion to the actual amount of capital paid up on such shares held by them respectively
- 144 If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the contributories, divide amongst the contributories in specie the whole or any part of the assets of the Company, and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit

## INDEMNITY

- 145 Every Director, Manager and officer of the Company and any person (whether an officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, officer or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under the Act in which relief is granted to him by the Court