

Registered No: 4006741

**THE COMPANIES ACT 1985**

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**COMPANY LIMITED BY SHARES**

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**NEW**

**ARTICLES OF ASSOCIATION**

- of -



**FLEMING FAMILY & PARTNERS LIMITED**

**(Adopted on 7 November 2000  
as amended by Special Resolutions passed on  
17 January 2002, 26 March 2002 and 23 July 2003)**

**INTERPRETATION**

**1 Exclusion of Table A**

No regulations set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the company.

**2 Definitions**

In these articles unless the context otherwise requires:-

**these articles:** means these articles of association as altered from time to time and the expression "this article" shall be construed accordingly;

**the auditors:** means the auditors from time to time of the company or, in the case of joint auditors, any one of them;

**the board:** means the board of directors from time to time of the company or the directors present at a meeting of the directors at which a quorum is present;

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

**the Companies Acts:** means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the company;

**the holder:** in relation to any shares means the member whose name is entered in the register as the holder of those shares;

**member:** means a member of the company;

**the office:** means the registered office from time to time of the company;

**paid up:** means paid up or credited as paid up;

**the register:** means the register of members of the company;

**seal:** means any common or official seal that the company may be permitted to have under the Companies Acts;

**the secretary:** means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the company and includes an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the secretary;

**United Kingdom:** means Great Britain and Northern Ireland;

references to a document being executed include references to its being executed under hand or under seal or by any other method;

references to writing include references to any method of representing or reproducing words in a legible and non-transitory form including by way of electronic communication where specifically provided in a particular article or where permitted by the board in its absolute discretion;

words or expressions to which a particular meaning is given by the Companies Acts in force when these articles or any part of these articles are adopted bear (if not inconsistent with the subject matter or context) the same meaning in these articles or that part (as the case may be) save that the word "company" shall include any body corporate; and

references to a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person. Headings are included only for convenience and shall not affect meaning.

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### **Form of Resolution**

- (A) Where for any purpose an ordinary resolution of the company is required, a special or extraordinary resolution shall also be effective and where for any purpose an extraordinary resolution is required a special resolution shall also be effective.
- (B) Subject to the Companies Acts, a resolution in writing signed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting properly convened and held and may consist of several instruments in the like form each signed by or on behalf of one or more of the members. In this paragraph of this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

## SHARE CAPITAL

### 4 **Authorised Share Capital**

The authorised share capital of the company at the date of adoption of this article is £9,756,000 divided into 85,560,000 Cumulative Redeemable Preference Shares of 10 pence each (the "Preference Shares") and 120,000,000 Ordinary Shares of 1 pence each (the "Ordinary Shares"). By Special Resolution passed on 23 July 2003, the authorised share capital of the Company was increased to £12,696,000 divided 85,560,000 Cumulative Redeemable Preference Shares of 10 pence each (the "Preference Shares") and 414,000,000 Ordinary Shares of 1 pence each (the "Ordinary Shares").

### 5 **New Share Rights Generally**

Subject to the provisions of the Companies Acts and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the board may decide.

### 6 **Preference Shares**

The Preference Shares shall have the following special rights and privileges:

#### (A) **Income**

- (i) Subject to the provisions of the Companies Acts, the holders of the Preference Shares shall be entitled, in priority to any payment of dividend to the holders of any other class of shares in respect of any financial year or other period, to be paid a fixed cumulative preferential dividend (the "Preferred Dividend") at the annual rate of 8 per cent., such dividend to be paid in equal half-yearly instalments in arrears on 31 January and 31 July in each year (each a "Dividend Payment Date"). The first dividend will be paid on 31 July, 2001 in respect of the period from 8 November, 2000 to 31 March, 2001.
- (ii) The Preferred Dividend shall be deemed to accrue from day to day. The Preferred Dividend shall (subject as provided below) ipso facto and without any resolution of the directors or the company in general meeting become a debt due from and immediately payable by the Company to the registered holder of each Preference Share on the Dividend Payment Date concerned.
- (iii) The Preferred Dividend shall be cumulative and, accordingly, if and to the extent that the profits of the company available for distribution by way of dividend are not sufficient to pay the full amount of the Preferred Dividend due for payment on a particular Dividend Payment Date, then the Preferred Dividend which would have been payable on such date (or so much thereof as remains unpaid) shall, as soon thereafter as sufficient distributable profits are available, become a debt due from the

company in accordance with paragraph (ii) above but shall be payable on the next succeeding Dividend Payment Date.

- (iv) Save as provided in article 6(B)(i), the holders of the Preference Shares shall not be entitled to any further right of participation in the profits of the company.
- (v) If any Dividend Payment Date is not a day on which banks in the City of London are open for business (a "Business Day") then payment of the Preferred Dividend otherwise payable on such Dividend Payment Date shall be made (subject as provided above) on the next day which is a Business Day.

**(B) Capital**

- (i) On a return of a capital (other than a redemption of redeemable shares or a purchase by the company of its shares for cancellation in accordance with the Companies Acts) or a winding-up, the assets of the company available for distribution to its members shall be applied:
  - (a) first, in paying to the holders of the Preference Shares a sum equal to any arrears, deficiency or accruals of the Preferred Dividend thereon, calculated (on the basis of a 365 day year and the actual number of days elapsed) up to and including the date of the commencement of the winding up (in the case of a winding up) or the return of capital;
  - (b) secondly, in repaying the capital paid up on the Preference Shares together with the premium, if any, paid at the time of issue;
  - (c) thirdly, in distributing any balance of surplus assets then remaining rateably amongst the holders of any other class or classes of shares in the company (subject to any special rights or restrictions attaching thereto in relation to a return of capital or winding up) according to the amounts paid up thereon.
- (ii) The holders of the Preference Shares shall not be entitled to any further rights of participation in the assets of the company other than as provided in paragraph (i) above.
- (iii) If, on a return of capital or a winding-up, the amounts available for payment are insufficient to cover in full the amounts payable on the Preference Shares as set out in paragraphs (i) and (ii) above, then the holders of such shares will share rateably in the assets available for distribution (if any) in proportion to the full respective preferential amounts to which they are entitled.

**(C) Voting**

The holder or holders of the Preference Shares shall, by virtue of or in respect of his or their holdings of Preference Shares, have the right to

receive notice of, and to attend and speak at, all general meetings but not to vote at any general meeting unless:-

- (i) at the date of such meeting, the Preferred Dividend on any Shares is in arrears, or
- (ii) a resolution is proposed at such general meeting abrogating, varying or modifying any of the rights or privileges attached to the Preference Shares or amending these Articles in any manner which materially affects the Preference Shares or for the winding up of the company or any reduction of its share capital (other than a reduction in capital involving a repayment or a redemption of Preference Shares) or authorising the company to purchase its shares for cancellation,

in any of which cases any holder of a Preference Share shall have the right to vote at such general meeting and each Preference Share shall confer the right, on a poll, to cast one vote.

**(D) Redemption**

- (i) Subject to the provisions of the Companies Acts and of these articles, the company may at its option redeem, at any time and from time to time during the period commencing on the date of adoption of these articles and ending on 31 July, 2006 (or, if that day is not a Business Day, the next day which is a Business Day), the whole or any part of the Preference Shares provided that all Preference Shares shall be redeemed no later than 31 July, 2006 (or, if that day is not a Business Day, the next day which is a Business Day) and provided further that if the company shall be unable in compliance with the provisions of the Companies Acts to redeem all or any of the Preference Shares in accordance with this sub-paragraph by that date then the company shall redeem such Preference Shares as soon after such date as the company shall be able to do so in compliance with the provisions of the Companies Acts.
- (ii) The company shall give the holders of the Preference Shares not less than 7 days' prior written notice of the date fixed for each such redemption (the "Redemption Date").
- (iii) Any notice of redemption served by the company under paragraph (ii) shall specify the number of Preference Shares to be redeemed, the amount payable to each holder thereof, the Redemption Date and the place in the United Kingdom at which the certificates are to be presented.
- (iv) The company shall, having complied with any relevant obligations under paragraphs (i) to (iii) above, pay on each fully paid Preference Share so redeemed a sum (the "Redemption Price") equal to the capital paid up on that Preference Share together with the premium (if any) paid at the time of issue and such sum as is equal to any arrears, deficiency or accruals of the Preferred Dividend on the Preference Shares so redeemed calculated up to and including the actual Redemption Date.

(v) From the actual Redemption Date, the Preferred Dividend shall cease to accrue on the Preference Shares so redeemed.

(vi) If the holder of any Preference Shares which are liable to be redeemed shall fail or refuse to deliver up the certificate(s) for such Preference Shares (or any of them), the company may retain the redemption monies in respect of the relevant Preference Shares until delivery up to the company of such certificate(s) or of an indemnity in respect thereof satisfactory to the company but shall within two days after such subsequent delivery or provision of such an indemnity pay the redemption monies to such holder.

**(E) Payments**

All sums payable by the company to the holder of any Preference Shares shall be paid to such holder in pounds sterling in accordance with article 99.

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**Purchase of Own Shares**

Subject to the provisions of the Companies Acts and to any rights attached to existing shares, the company may purchase or may enter into a contract under which it will or may purchase all or any of its shares of any class, including any redeemable shares. Neither the company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

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**Variation of Rights**

Subject to the provisions of the Companies Acts, all or any of the rights for the time being attached to any existing class of shares may from time to time (whether or not the company is being wound up) be varied either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares. All the provisions of these articles as to general meetings of the company shall, with any necessary modifications, apply to any such separate general meeting, but so that the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class, (but so that at any adjourned meeting one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum), that every holder of shares of the class present in person or by proxy shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and that any holder of shares of the class present in person or by proxy may demand a poll. The foregoing provisions of this article shall apply to the variation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class and their special rights were to be varied.

## **Pari Passu Issues**

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking pari passu with them.

## **Unissued Shares**

- (A) Subject to the provisions of the Companies Acts and these articles and to any resolution passed by the company under the Companies Acts and without prejudice to any rights attached to existing shares, the unissued shares of the company (whether forming part of the original or any increased capital) shall be at the disposal of the board which may offer, allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and for such consideration and upon such terms as the board may decide.
- (B) Subject to the provisions of these articles, the directors are generally and unconditionally authorised to exercise all powers of the company to allot relevant securities. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of adoption of these articles or such other amount as may from time to time be authorised by the company in general meeting. The authority conferred on the directors in this article shall remain in force for a period of five years from the date of adoption of this article, but (i) may be revoked, varied or renewed from time to time by the company in general meeting in accordance with the Companies Acts and (ii) shall permit the company to make an offer or agreement which would or might require relevant securities to be allotted after such authority expires and accordingly the directors may allot relevant securities, notwithstanding such expiry, if they are allotted in pursuance of an offer or agreement made by the company before such expiry.
- (C) Section 89(1) of the Companies Act 1985 (or any statutory modification or re-enactment thereof) shall not apply to the allotment by the company of any equity security and so that the company may make an offer or agreement which would or might require equity securities to be allotted after the expiry of the power conferred by this article 10(C) and accordingly the directors may allot equity securities, notwithstanding such expiry, if they are allotted in pursuance of an offer or agreement made by the company before such expiry.
- (D) No share shall be issued partly paid.

## **Payment of Commission**

The company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts.

12                   **Trusts Not Recognised**

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 required in any way to recognise (even when having notice of it) any interest in any share or (except only as by these articles or by law otherwise provided) any other right in respect of any share other than an absolute right to the whole of the share in the holder.

13                   **Right to Share Certificates**

Subject to the provisions of these articles, every person (except a person to whom the company is not by law required to issue a certificate) whose name is entered in the register as a holder of any shares shall be entitled, without payment, to receive within the time limits prescribed by the Companies Acts one certificate for all those shares of any one class. In the case of a share held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A member who transfers some but not all of the shares comprised in a certificate shall be entitled to a certificate for the balance without charge.

14                   **Replacement of Share Certificates**

If a share certificate is defaced, worn out, lost or destroyed, it may be replaced without charge but on such terms (if any) as to evidence and indemnity as the board may decide and, where it is defaced or worn out, after delivery of the old certificate to the company. Any two or more certificates representing shares of any one class held by any member shall at his request be cancelled and a single new certificate for such shares issued in lieu. Any certificate representing shares of any one class held by any member may at his request be cancelled and two or more certificates for such shares may be issued instead. The board may require the payment of any exceptional out-of-pocket expenses of the company incurred in connection with the issue of any certificates under this article. Any one of two or more joint holders may request replacement certificates under this article.

15                   **Execution of Share Certificates**

Every share certificate shall be executed under a seal or in such other manner as the board, having regard to the terms of issue and any listing requirements may authorise, and shall specify the number and class of the shares to which it relates and the amount or respective amounts paid up on the shares. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical, electronic or other means or may be printed on them or that the certificates need not be signed by any person.

## **TRANSFER OF SHARES**

16                   **Transfer**

- (A)   No Disposal of any share or any legal or beneficial interest in a share shall be permitted except with the consent in writing of all the holders of the shares of the same class.



- (B) "Disposal", as used in this article 16 and in article 17, shall include, without limitation:
- (i) sale, assignment or transfer;
  - (ii) creating or permitting to subsist any pledge, charge, mortgage, lien or other security interest or encumbrance;
  - (iii) renunciation or assignment of any right to receive a share or any legal or beneficial interest in a share;
  - (iv) conferring the power, authority or right to exercise, or control the exercise of, voting rights in respect of, or to dispose of, a share;
  - (v) any agreement to do any of the above, except an agreement to transfer shares which is conditional on compliance with these articles.

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### **Compulsory Transfer**

- (A) Subject to Article 17(G) if, otherwise than by reason of death, a member (or any person on whose behalf a member is a nominee) who has entered into a service contract, contract for services or employment contract with the company (or any subsidiary or holding company of the company or any subsidiary of any such holding company) or whose services are provided to the company (or any such subsidiary or holding company) under the terms of a contract for services entered into by a third party with the company (or any such subsidiary or holding company) leaves the employment of the company (or any such subsidiary or holding company) or ceases to provide services to the company (or any such subsidiary or holding company) (a "Trigger Event"), the board may at its discretion, at any time and from time to time thereafter, give a notice (a "Compulsory Transfer Notice") to the said member (the "Relevant Member") requiring the Transfer (or the procurement of the Transfer) of all or any (as specified by the board) of the shares held by the Relevant Member, his Associated Companies (if any), his Privileged Relations (if any) and his Family Trusts (if any) (the "Specified Shares", each such holder of a Specified Share being a "Specified Holder"). Where the Relevant Member is an Initial Member, the board shall not include within the Specified Shares any Shares held by a Privileged Relation or a Family Trust to whom or which such Shares were Transferred (in accordance with article 16) at least one day prior to the date on which the Trigger Event occurred in relation to the Relevant Member. Subject to the preceding sentence, any exercise of such discretion shall be at the sole and exclusive discretion of the Board. The Board shall not be bound by precedent, nor need it disclose the basis for its decisions in relation to the exercise of such discretion. References in this article 17(A) to (i) a member shall be treated as including any person (other than an Initial Member) who, at the relevant time, is no longer a member but was, at any time prior to the relevant time, a member and has Transferred all or any of the shares held by him to a Privileged Relation and/or to a Family Trust or made or attempted to make a Disposal of all or any of such shares otherwise than in accordance with article 16, and (ii) a Family Trust or Family Trusts shall be treated as excluding any trust of which

RFT is (and has always been since the member in question Transferred the shares in question to RFT (or its nominee) in accordance with article 16) the sole trustee or a co-trustee.

- (B) Subject to Article 17(G) if a Compulsory Transfer Notice is given in accordance with paragraph (A), the relevant Member and (to the extent, if any, that Specified Shares are held by them) each of the other Specified Holders shall be deemed to have appointed the Company as his agent for the Transfer of each of the Specified Shares in accordance with this article 17.
- (C) The company and the Relevant Member shall use all reasonable endeavours to determine or procure the determination of the Prescribed Value of the Specified Shares (or, if the Specified Shares comprise both ordinary shares and Preference Shares, of the Specified Shares of each class) as soon as reasonably practicable after the giving of the Compulsory Transfer Notice.
- (CC) The company may, within 14 days after the date on which the Prescribed Value of the Specified Shares (or of the Specified Shares of each class) is determined, offer some or all of the Specified Shares for purchase to one or more of:
  - (i) the trustees, manager or operator for the time being of an Employee Share Trust;
  - (ii) existing or prospective employees of the company (or any subsidiary or holding company of the company or any subsidiary of any such holding company)

at the Prescribed Value per Share. If and to the extent that any such offer is accepted the Specified Shares to be purchased by the offeree shall not be offered pursuant to article 17(D), and references in that article to "Specified Shares" shall be construed accordingly.

- (D) Subject to articles 17(CC) and 17(G), within 28 days after the date on which the Prescribed Value of the Specified Shares (or of the Specified Shares of each class) is determined, the company shall, in respect of each class of Specified Shares, send a notice in writing to all existing holders of shares of the relevant class (other than the Specified Holders as such or any other holder of shares of the relevant class who has indicated to the Company his desire to dispose of any of his Shares of the relevant class). PROVIDED that in the case of shares received under the SIP or SAYE the Compulsory Transfer Provisions shall apply so that the Company is obliged in the first instance to send a notice in writing to the Trustees at the time being and from time to time of the Fleming Family & Partners Limited Employee Benefit Trust executed by deed on 18<sup>th</sup> December 2001 and thereafter to all existing holders of shares of the relevant class: -
  - (i) containing an offer ("Compulsory Offer") of the Specified Shares of the relevant class at the relevant Prescribed Value and inviting each recipient to notify the Company in writing within a period of 30 days ("Compulsory Offer Period") whether he is willing to take any, and if so what maximum number, of the Specified

Shares of the relevant class and confirm, if he requires a clearance or consent from, or to make a prior notification to, any governmental or regulatory authority in order to be able lawfully to accept the Compulsory Offer, that such clearance or consent has been obtained or prior notification made, or is expected to have been obtained or made by the time the company would be required to give the notice under paragraph (E) below, and undertaking to notify the company no later than that time whether or not such clearance or consent has been obtained or such prior notification has been made;

- (ii) stating that, if the recipients who accept the Compulsory Offer for the Specified Shares of the relevant class express, in aggregate, a willingness to take more than the total number of Specified Shares of the relevant class, the Specified Shares of the relevant class shall be allocated to such recipients in proportion (as nearly as may be without involving fractions) to the number of shares of the relevant class then held by them, but so that no recipient shall be allocated more than (a) the maximum number specified by such recipient or (b) any shares of the relevant class to the extent that such allocation would give rise to an Unsatisfied Regulatory Requirement and the shares not so allocated shall be available for allocation to other recipients who accept the Compulsory Offer (except to the extent that this allocation would give rise to an Unsatisfied Regulatory Requirement); and
  - (iii) setting out the name of any person nominated by the directors who has expressed an interest in acquiring all or any of the Specified Shares of the relevant class and to whom any Specified Shares of the relevant class not allocated among the recipients of the Compulsory Offer may be allocated.
- (E) The company shall, within 7 days after the date on which the Compulsory Offer Period relating to the Specified Shares of the relevant class ends, notify in writing:-
- (i) the Relevant Member and each other Specified Holder of the name and address of each person to whom Specified Shares of the relevant class have been allocated, including any persons to whom allocations of Specified Shares have been made pursuant to article 17(CC) ("Purchaser", which expression shall not include any person if or to the extent that a transfer to him would to the knowledge of the Company give rise to an Unsatisfied Regulatory Requirement) and the number of Specified Shares to be transferred to each of them;
  - (ii) each of the Purchasers of the number of Specified Shares of the relevant class to be transferred by him; and
  - (iii) each Specified Holder and each Purchaser of the time(s) (not being less than 48 hours nor more than 7 days after the date of such notification) and place(s) for completion of the Transfer of Specified Shares of the relevant class to the Purchasers.

- (F) Each Specified Holder and each Purchaser shall be obliged to complete the Transfer of the Specified Shares of the relevant class at such time(s) and place(s) as shall be specified in the notification under paragraph (E) (iii) above.
- (G) In respect of shares received by participating employees under the Fleming Family & Partners Limited Inland Revenue Approved Share Incentive Plan 2001 ('SIP'), Fleming Family & Partners Limited Inland Revenue Approved Save As You Earn Scheme 2001 ('SAYE'), this article 17 shall apply to these shares subject to the following PROVISIO:
- (i) The terms of sections (A) to (F) and section (H) of this article 17 shall be applied as follows:
    - (a) the Board must apply the Compulsory Transfer Provisions contained in this article 17; and
    - (b) the Board must apply the Compulsory Transfer Provisions to Specified Holders, a Privileged Relation or Family Trust and Specified Shares as defined where they relate to shares acquired by employees participating in the SIP and SAYE.
  - (ii) For the avoidance of doubt, on cessation of employment under article 17(A) the Compulsory Transfer Provisions shall apply to any shares received by participating employees under the SIP and SAYE included Specified Holders, a Privileged Relation, a Family Trust and Specified Shares. If he so wishes, such participating employee may in his absolute discretion transfer the shares held by him under the Compulsory Transfer Provisions and the Board has no discretion to determine otherwise.
- (H) For the purposes of this article 17, the following expressions have the following meanings:-
- (i) **"Associated Company"**: where the Relevant Member or Shareholder is a body corporate, has the meaning ascribed to it by section 416 of the Income and Corporation Taxes Act 1988 (or any statutory modification or re-enactment thereof);
  - (ii) **"Employee Share Trust"**: means the Fleming Family & Partners Employee Share Trust or any other scheme or trust which is an employee share scheme of the company (as defined in section 743 of the Companies Act 1985);
  - (iii) **"Family Trust"**: means, in relation to the Relevant Member (or any person on whose behalf the Relevant Member is a nominee) (the "Shareholder") at any time, (a) a trust or trusts (whether arising under a settlement inter vivos or a testamentary disposition, whoever it is made by, or an intestacy) under which (1) no person other than the Shareholder or a Privileged Relation of the Shareholder or a registered charity has a beneficial interest in possession in, or has benefited at any time during the preceding three years from, all or any part of the trust property or income, and (2) no power of control over the voting powers

conferred by any shares in the company for the time being comprised, or which may from time to time become comprised, in the trust property is from time to time exercisable by or subject to the consent of any person other than the trustee or trustees of the said trust or trusts or by the Shareholder or a Privileged Relation of the Shareholder or a registered charity or (b) a body corporate all of the issued shares in which form part of the trust property of such a trust and in respect of which no person other than the trustee or trustees of that trust has any right to appoint or remove any of its directors or has any power of control over (or any right to consent to the exercise by any other person of) the voting powers conferred by such shares or any of them;

- (iv) **“Initial Member”** means any person who, on 7 November 2000, entered into a commitment to subscribe for shares in the company;
- (v) **“Prescribed Value”** means, in relation to the Specified Shares, price per Share agreed between the Company and the Relevant Member or, in the event that they do not agree a price within 21 days of the date of the Compulsory Transfer Notice, the value thereof as determined in writing by the auditors for the time being of the Company, acting as experts and not as arbitrators and applying the following principles (whose decision shall be final and binding and whose fees shall be borne by the Relevant Member or as otherwise determined by the auditors):
  - (a) the Prescribed Value of any Ordinary Shares or (as the case may be) Preference Shares shall be a percentage of the market value of the total issued Ordinary Share capital or (as the case may be) Preference Share capital of the Company, such percentage being equal to the percentage of such total issued Ordinary Share capital or (as the case may be) Preference Share capital represented by those Ordinary Shares or (as the case may be) Preference Shares;
  - (b) the market value of the total issued Ordinary Share capital or (as the case may be) Preference Share capital of the Company shall be determined on the basis of a sale between a willing seller and a willing buyer of the whole of the issued Ordinary Share capital or (as the case may be) Preference Share capital of the Company; and
  - (c) the fact that the holder of the Ordinary Shares or (as the case may be) Preference Shares in question may also be the holder of Preference Shares or (as the case may be) Ordinary Shares shall be disregarded, as shall be the possibility that the willing buyer referred to in sub-paragraph (b) above might be the willing buyer of both the issued Ordinary Share capital and the issued Preference Share capital.
- (vi) **“Privileged Relation”**: means, in relation to a Shareholder who is an individual, his or her wife, husband, cohabitant (as defined

in Section 63 of the Family Law Act 1996), widow or widower (whether or not remarried), lineal descendant by blood or adoption, step-child, parent, brother or sister, nephew or niece;

- (vii) **"RFT"**: means R.F. Trustee Co. Limited and includes any successors, assigns, successor trustee or trustees, co-trustee or co-trustees, successor discretionary investment manager or managers and co-discretionary investment manager or managers from time to time in respect of any of the trusts, settlements and principals for whose respective accounts it (or its nominee) holds shares in the company;
  - (viii) **"Transfer"**: means, in relation to any share, to transfer the entire legal and beneficial interest in that share free from all claims, liens, charges, encumbrances and equities and together with all rights attached or accruing to the share (other, unless otherwise agreed between transferor and transferee, than any dividend or other distribution already declared on such share) and any derivative term, as well as any reference to a "Transfer", shall have the corresponding meaning; and
  - (ix) **"Unsatisfied Regulatory Requirement"**: means such requirement as, in the opinion of the board, exists under applicable law or regulation for the obtaining of a governmental or regulatory clearance or consent or the making to an appropriate governmental or regulatory body of a prior notification which, in either case, has not already been obtained or made by the appropriate person.
- (I) Except with the consent in writing of all the holders of the shares of the same class, any member disposing of shares of a particular class (whether or not as an employee) shall offer them for sale on no better terms to all of the other members of that class.

18

### **Form and Execution of Transfer**

Any transfer permitted by these articles shall be by an instrument of transfer in any usual form or in any other form which the board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the register in respect of it. All instruments of transfer, when registered, may be retained by the company.

19

### **No Fee for Registration**

No fee shall be charged by the company for registering any transfer, document or instruction relating to or affecting the title to any share or for making any other entry in the register.

## **TRANSMISSION OF SHARES**

### **20 Transmission on Death**

If a member dies, the survivor or survivors, where he was a joint holder, and his personal representatives, where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his shares; but nothing contained in these articles shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.

### **21 Entry of Transmission in Register**

Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the board, the board shall within two months after proof cause the entitlement of that person to be noted in the register.

### **22 Election of Person Entitled by Transmission**

Any person entitled by transmission to a share may, subject as provided elsewhere in these articles, elect either to become the holder of the share or (subject to article 16) to have some person nominated by him registered as the holder. If he elects to be registered himself he shall give notice to the company to that effect. If he elects to have another person registered, he shall (subject to article 16) transfer title to the share to that person. The board may at any time require the person to elect either to be registered himself or (subject to article 16) to transfer the share and if the requirements are not complied with within 60 days of being issued the board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements have been complied with.

### **23 Rights of Person Entitled by Transmission**

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share shall cease, but the person entitled by transmission to the share may give a good discharge for any dividends or other moneys payable in respect of it and shall have the same rights in relation to the share as he would have had if he were the holder of it save that, until he becomes the holder, he shall not be entitled in respect of the share (except with the authority of the board) to attend or vote at any general meeting of the company or at any separate general meeting of the holders of any class of shares in the company or to exercise any other right conferred by membership in relation to general meetings.

## **ALTERATION OF SHARE CAPITAL**

### **24 Increase, Consolidation, Sub-Division and Cancellation**

The company may from time to time by ordinary resolution:-

- (i) increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe;

- (ii) consolidate, or consolidate and then sub-divide, all or any of its share capital into shares of larger amount than its existing shares;
- (iii) subject to the Companies Acts, sub-divide its shares or any of them into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others; and
- (iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

25

### **Fractions**

- (A) Whenever as a result of a consolidation or consolidation and sub-division of shares any members would become entitled to fractions of a share, the board may deal with the fractions as it thinks fit. In particular the board may sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Companies Acts, the company) and distribute the net proceeds of sale in due proportion among those members and the board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. For the purposes of effecting the sale, the board may arrange for the shares representing the fractions to be entered in the register. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

26

### **Reduction of Capital**

Subject to the provisions of the Companies Acts, the company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any way.

## **GENERAL MEETINGS**

27

### **Extraordinary General Meetings**

Any general meeting of the company other than an annual general meeting shall be called an extraordinary general meeting.

28

### **Annual General Meetings**

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

29

### **Convening of Extraordinary General Meetings**

The board may convene an extraordinary general meeting whenever it thinks fit.



## **Separate General Meetings**

The provisions of these articles relating to general meetings shall apply, with any necessary modifications, to any separate general meeting of the holders of shares of a class convened otherwise than in connection with the variation or abrogation of the rights attached to the shares of that class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

### **NOTICE OF GENERAL MEETINGS**

## **Length of Notice**

An annual general meeting and an extraordinary general meeting convened for the passing of a special resolution or (save as provided by the Companies Acts) a resolution of which special notice has been given to the company shall be convened by not less than 21 clear days' notice in writing. All other extraordinary general meetings shall be convened by not less than 14 clear days' notice in writing. The notice shall specify the place, day and time of the meeting, and the general nature of the business to be transacted. Notice of every general meeting shall be given to all members other than any who, under the provisions of these articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the company, and also to the auditors or, if more than one, each of them. References in this article to notice in writing include the use of electronic communication and publication on a web site or sites in accordance with the Companies Acts.

## **Omission or Non-Receipt of Notice**

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

## **Postponement of General Meetings**

If the board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, the appointment of a proxy will be valid if it is received as required by these articles not less than 48 hours before the time appointed for holding the rearranged meeting. The board may also postpone or move the rearranged meeting under this article.

## **PROCEEDINGS AT GENERAL MEETINGS**

34

### **Quorum**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

35

### **Procedure if Quorum Not Present**

If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day (being not less than three nor more than 28 days later) and at such other time or place as may have been specified for the purpose in the notice convening the meeting. Where no such arrangements have been so specified, the meeting shall stand adjourned to such other day (being not less than ten nor more than 28 days later) and at such other time or place as the chairman of the meeting may decide and, in this case, the company shall give not less than seven clear days' notice in writing of the adjourned meeting. References in this article to notice in writing include the use of electronic communication and publication on a web site or sites in accordance with the Companies Acts. At any adjourned meeting one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum and any notice of an adjourned meeting shall state that one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

36

### **Chairman of General Meeting**

The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at every general meeting. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor any deputy chairman is present within five minutes after the time appointed for the commencement of the meeting, or if neither the chairman nor any deputy chairman 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 each of the directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be chairman.

37

### **Orderly Conduct**

The chairman shall take such action or give directions for such action to be taken as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting. The chairman's decision on points of order, matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any point or matter is of such a nature.

38

### **Entitlement to Attend and Speak**

Each director shall be entitled to attend and speak at any general meeting of the company. The chairman may invite any person to attend and speak at any general meeting of the company where he considers that this will assist in the deliberations of the meeting.

39

### **Adjournments**

The chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) either sine die or to another time or place where it appears to him that (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting (b) the conduct of persons present prevents or is likely to prevent the orderly continuation of business or (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted. In addition, the chairman may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting either sine die or to another time or place. When a meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.

40

### **Notice of Adjournment**

When a meeting is adjourned for three months or more, or sine die, notice of the adjourned meeting shall be given as in the case of an original meeting. Except where these articles otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

## **AMENDMENTS**

41

### **Amendments to Resolutions**

In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon and in the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been lodged at the office or the chairman in his absolute discretion decides that it may be considered or voted upon.

42

### **Amendments Ruled Out of Order**

If an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

## VOTING

43

### Votes of Members

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of these articles, on a show of hands every member who is present in person at a general meeting of the company shall have one vote. Proxies cannot vote on a show of hands. On a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

44

### Method of Voting

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is properly demanded. Subject to the Companies Acts, a poll may be demanded by:-

- (i) the chairman of the meeting; or
- (ii) at least five members present in person or by proxy and entitled to vote; or
- (iii) any member or members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all the members having the right to attend and vote at the meeting; or
- (iv) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution on a show of hands has been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

45

### Procedure if Poll Demanded

If a poll is properly demanded it shall be taken in such manner as the chairman shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

46

### When Poll to be Taken

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 either forthwith or on such date (being not later than 30 days after the date of the demand) and at such time and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.

47                   **Continuance of Other Business after Poll Demand**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded, and it may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier, and in that event shall not invalidate the result of a show of hands declared before the demand was made.

48                   **Votes on a Poll**

On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

49                   **Casting Vote of Chairman**

In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman shall be entitled to an additional or casting vote.

50                   **Votes of Joint Holders**

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

51                   **Voting on Behalf of Incapable Member**

A member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote at any general meeting of the company or at any separate general meeting of the holders of any class of shares in the company and may exercise any other right conferred by membership in relation to general meetings by or through any person authorised in such circumstances to do so on his behalf (and that person may vote on a poll by proxy), provided that evidence to the satisfaction of the board of the authority of the person claiming to exercise the right to vote or such other right has been received at the office (or at such other place as may be specified in accordance with these articles for the receipt of appointments of a proxy in writing which are not electronic communications) not later than the last time at which such an appointment should have been received in order to be valid for use at that meeting or on the holding of that poll.

52                   **Objections or Errors in Voting**

If:-

- (i) any objection shall be raised to the qualification of any voter, or
- (ii) any votes have been counted which ought not to have been counted or which might have been rejected, or
- (iii) any votes are not counted which ought to have been counted,

- (iv) the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be conclusive.

## **PROXIES**

53

### **Appointment of Proxies**

The appointment of a proxy shall be in writing signed by the appointor or his duly authorised attorney or, if the appointor is a corporation, shall either be executed under its seal or signed by an officer, attorney or other person authorised to sign it. In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

54

### **Receipt of Proxies**

The appointment of a proxy must:

- (a) in the case of an appointment in writing which is not contained in an electronic communication, be received at the office (or such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote together with (if required by the board) any authority under which it is made or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board;
- (b) in the case of an appointment contained in an electronic communication, be received at an address specified in the notice convening the meeting or in any accompanying document, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. Any authority pursuant to which an appointment contained in an electronic communication is made or a copy of the authority, certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other manner approved by the board, must, if required by the board, be received at the office (or such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours before the time appointed for the taking of the poll,

and an appointment of a proxy which is not so received in a manner so permitted shall be invalid. When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

55 **Maximum Validity of Proxy**

No appointment of a proxy shall be valid after 12 months have elapsed from the date of its receipt save that, unless the contrary is stated in it, an appointment of a proxy shall be valid for use at an adjourned meeting or a poll after a meeting or an adjourned meeting even after 12 months, if it was valid for the original meeting.

56 **Form of Proxy**

The appointment of a proxy shall be in any usual form or in such other form as the board may approve and the board may, if it thinks fit, but subject to the provisions of the Companies Acts, send with the notice of any meeting forms of appointment of a proxy for use at the meeting. The appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

57 **Cancellation of Proxy's Authority**

A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of the determination was received by the company at the office (or such other place or address as was specified by the company for the receipt of appointments of proxy in the notice convening the meeting or other accompanying document) not later than the last time at which an appointment of a proxy should have been received in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded. In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

## **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

### **58           Number of Directors**

Unless otherwise determined by ordinary resolution of the company, the directors (disregarding alternate directors) shall be not less than two in number.

### **59           Age of Directors**

No person shall be disqualified from being appointed or elected as a director, and no director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age. It shall not be necessary by reason of a person's age to give special notice under the Companies Acts of any resolution in connection with his election. However, any director who is of the age of 70 or more shall retire in accordance with these articles. Where the board convenes any general meeting of the company at which (to the knowledge of the board) a director will be proposed for election or re-election who at the date for which the meeting is convened will have attained the age of 70 years or more, the board shall give notice of his age in years in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings, or any election or re-election of that director, at that meeting.

### **60           Directors' Shareholding Qualification**

No shareholding qualification for directors shall be required.

### **61           Power of Company to Elect Directors**

Subject to the provisions of these articles, the company may by ordinary resolution elect any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these articles.

### **62           Power of Board to Appoint Directors**

Without prejudice to the power of the company in general meeting pursuant to any of the provisions of these articles to appoint any person to be a director, the board may appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing board, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these articles. Any director so appointed shall retire at the next annual general meeting and shall then be eligible for election.

### **63           Filling Vacancies**

Subject to the provisions of these articles, at the meeting at which a director retires the company can pass an ordinary resolution to re-elect the director or to elect some other eligible person in his place.



64

### **Power of Removal by Special Resolution**

In addition to any power of removal conferred by the Companies Acts, the company may by special resolution remove any director before the expiration of his period of office and may (subject to these articles) by ordinary resolution appoint another person who is willing to act to be a director in his place.

65

### **Persons Eligible as Directors**

No person other than a director retiring at the meeting shall be elected or re-elected a director at any general meeting unless:-

- (i) he is recommended by the board; or
- (ii) not less than seven nor more than 42 days before the day appointed for the meeting, notice in writing by a member qualified to vote at the meeting (not being the person to be proposed) has been given to the secretary of the intention to propose that person for election or re-election together with confirmation in writing by that person of his willingness to be elected or re-elected.

66

### **Position of Retiring Directors**

A director who retires at an annual general meeting may, if willing to continue to act, be elected or re-elected. If he is not elected or re-elected, he shall retain office until the meeting elects someone in his place or, if it does not do so, until the end of the meeting.

67

### **Vacation of Office by Directors**

Without prejudice to the provisions for retirement contained in these articles, the office of a director shall be vacated if:-

- (i) he resigns his office by notice in writing delivered to the office or tendered at a meeting of the board; or
- (ii) by notice in writing delivered to the office or tendered at a meeting of the board he offers to resign and the board resolves to accept such offer; or
- (iii) by notice in writing delivered to the office or tendered at a meeting of the board, his resignation is requested by all of the other directors and all of the other directors are not less than three in number; or
- (iv) he is or has been suffering from mental ill health or becomes a patient for the purpose of any statute relating to mental health and the board resolves that his office is vacated; or
- (v) he is absent without the permission of the board from meetings of the board (whether or not an alternate director appointed by him attends) for six consecutive months and the board resolves that his office is vacated; or

- (vi) he becomes bankrupt or compounds with his creditors generally; or
- (vii) he is prohibited by law from being a director; or
- (viii) he ceases to be a director by virtue of the Companies Acts or is removed from office pursuant to these articles.

If the office of a director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the board. In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

68

### **Alternate Directors**

- (A) Each director may appoint any person to be his alternate and may at his discretion remove an alternate director so appointed. If the alternate director is not already a director, the appointment, unless previously approved by the board, shall have effect only upon and subject to its being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and delivered to the office or tendered at a meeting of the board, or in any other manner approved by the board. An alternate director shall be entitled to receive notice of all meetings of the board or of committees of the board of which his appointor is a member. He shall also be entitled to attend and vote as a director at any such meeting at which the director appointing him is not personally present and at such meeting to exercise and discharge all the functions, powers, rights and duties of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these articles shall apply as if he were a director.
- (B) Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these articles relating to directors and shall during his appointment be an officer of the company. An alternate director shall alone be responsible to the company for his acts and defaults and shall not be deemed to be the agent of or for the director appointing him. An alternate director may be paid expenses and shall be entitled to be indemnified by the company to the same extent as if he were a director. An alternate director shall not be entitled to receive from the company any fee in his capacity as an alternate director but the company shall, if so requested in writing by the appointor, pay to the alternate director any part of the fees or remuneration otherwise due to the appointor.
- (C) A director or any other person may act as an alternate director to represent more than one director. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate, in addition to his own vote if he is also a director but he shall count as only one for the purposes of determining whether a quorum is present. Signature by an alternate director of any resolution in writing of the board or a committee of the board shall, unless the notice of his appointment provides to the contrary, be as effective as signature by his appointor.

- (D) An alternate director shall automatically cease to be an alternate director if his appointor ceases for any reason to be a director except that, if at any meeting any director retires but is reappointed or deemed to be reappointed at the same meeting, any appointment made by him pursuant to this article which was in force immediately before his retirement shall remain in force as though he had not retired.
- (E) In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

69

## **Executive Directors**

The board or any committee authorised by the board may from time to time appoint one or more directors to hold any employment or executive office with the company for such period (subject to the provisions of the Companies Acts) and upon such other terms as the board or any committee authorised by the board may in its discretion decide and may revoke or terminate any appointment so made. Any revocation or termination of the appointment shall be without prejudice to any claim for damages that the director may have against the company or the company may have against the director for any breach of any contract of service between him and the company which may be involved in the revocation or termination. A director so appointed shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may decide, and either in addition to or in lieu of his remuneration as a director.

## **FEES, REMUNERATION, EXPENSES AND PENSIONS**

70

### **Directors' Fees**

Each or any of the directors may 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 so paid to directors (excluding amounts payable under any other provision of these articles) shall not exceed £500,000 per annum or such higher amount as may from time to time be decided by ordinary resolution of the company.

71

### **Additional Remuneration**

Any director who performs services which in the opinion of the board or any committee authorised by the board go beyond the ordinary duties of a director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may in its discretion decide in addition to any remuneration provided for by or pursuant to any other article.

72

### **Expenses**

Each director may 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 be paid all other costs and 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.

73

### **Pensions and Gratuities for Directors**

The board or any committee authorised by the board may exercise all the powers of the company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director or the relations, or dependants of, or persons connected to, any director or former director provided that no benefits (except such as may be provided for by any other article) may be granted to or in respect of a director or former director who has not been employed by, or held an executive office or place of profit under, the company or any body corporate which is or has been its subsidiary undertaking or any predecessor in business of the company or any such body corporate without the approval of an ordinary resolution of the company. No director or former director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

### **DIRECTORS' INTERESTS**

74

### **Permitted Interests and Voting**

- (A) Subject to the provisions of the Companies Acts and of paragraph (J) of this article, no director or proposed or intending director shall be disqualified by his office from contracting with the company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any director is in any way interested be liable to be avoided, nor shall any director who is so interested be liable to account to the company or the members for any remuneration, profit or other benefit realised by the contract by reason of the director holding that office or of the fiduciary relationship thereby established.
- (B) A director may hold any other office or place of profit with the company (except that of auditor) in conjunction with his office of director for such period (subject to the provisions of the Companies Acts) and upon such other terms as the board may decide, and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the board or any committee authorised by the board may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article.
- (C) A director may be or become a director or other officer of, or otherwise interested in, any company promoted by the company or in which the company may be interested or as regards which it has any power of appointment, and shall not be liable to account to the company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in the other company. The board may also cause any voting power conferred by the shares in any other company held or owned by the company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in

favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.

- (D) A director 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.
- (E) A director shall not vote on or be counted in the quorum in relation to any resolution of the board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the company or any other company in which the company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to offices or places of profit with the company or any other company in which the company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another director to an office or place of profit with a company in which the company is interested and the director seeking to vote or be counted in the quorum owns one per cent. or more of it.
- (F) Save as otherwise provided by these articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the board in respect of any contract in which he has an interest which (taken together with any interest of any person connected with him) is to his knowledge a material interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that material interest arises only from one or more of the following matters:-
  - (i) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the company or any of its subsidiary undertakings;
  - (ii) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) where the company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
  - (iv) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the company or by reason of any other interest in or through the company;

- (v) any contract concerning any other company (not being a company in which the director owns one per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
  - (vi) any contract concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates both to directors and employees of the company or of any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
  - (vii) any contract for the benefit of employees of the company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
  - (viii) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or directors or for, or for the benefit of, persons who include directors.
- (G) A company shall be deemed to be one in which a director owns one per cent. or more if and so long as (but only if and so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of that company or of the voting rights available to members of that company. For the purpose of this paragraph of this article there shall be disregarded any shares held by the director or any such person as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his, or any such person's, interest is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme in which he, or any such person, is interested only as a unit holder.
- (H) Where a company in which a director owns one per cent. or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (I) If any question shall arise at any meeting of the board as to the materiality of the interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be conclusive except in a case where the nature or extent of his interest (so far as it is known to him) has not been fairly disclosed to the board. If any question shall arise in respect of the chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the chairman shall be counted in the quorum but shall not vote on the

matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chairman (so far as it is known to him) has not been fairly disclosed to the board.

- (J) A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the board after he knows that he is or has become so interested. For the purposes of this article, a general notice to the board by a director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the board or the director takes reasonable steps to secure that it is brought up and read at the next board meeting after it is given.
- (K) References in this article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- (L) Subject to the provisions of the Companies Acts, the company may by ordinary resolution suspend or relax the provisions of this article to any extent or ratify any contract not properly authorised by reason of a contravention of this article.

## **POWERS AND DUTIES OF THE BOARD**

75

### **General Powers of Company Vested in Board**

Subject to the provisions of the Companies Acts, the memorandum of association of the company and these articles and to any directions given by the company in general meeting by special resolution, the business of the company shall be managed by the board which may exercise all the powers of the company whether relating to the management of the business of the company or not. No alteration of the memorandum of association or these articles and no special resolution shall invalidate any prior act of the board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this article shall not be limited by any special power given to the board by any other article.

76

### **Borrowing Powers**

The board may exercise all the powers of the company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company, to issue debentures and other securities and to give security, whether outright or as collateral security, for any debt, liability or obligation of the company or of any third party.

77

**Agents**

The board may, by power of attorney or otherwise, appoint any person or body of persons whether nominated directly or indirectly by the board to be the agent of the company upon such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The board may remove any person appointed under this article and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

78

**Delegation to Individual Directors**

The board may entrust to and confer upon any director any of its powers, authorities and discretions (with power to sub-delegate) 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, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

79

**Official Seals**

The company may exercise all the powers conferred by the Companies Acts with regard to having official seals and those powers shall be vested in the board.

80

**Registers**

Subject to the provisions of the Companies Acts, the company may keep an overseas or local or other register in any place and the board may make and vary such regulations as it may think fit respecting the keeping of the register.

81

**Provision for Employees**

The board may exercise any power conferred by the Companies Acts to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary.



## **PROCEEDINGS OF THE BOARD**

### **82 Board Meetings**

The board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A director at any time may, and the secretary on the requisition of a director at any time shall, summon a board meeting.

### **83 Notice of Board Meetings**

Notice of a board meeting shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the company for this purpose. A director absent or intending to be absent from the United Kingdom may request the board that notices of board meetings shall during his absence be sent in writing to him at an address given by him to the company for this purpose, but such notices need not be given any earlier than notices given to directors not so absent and if no request is made to the board it shall not be necessary to give notice of a board meeting to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively. In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

### **84 Quorum**

The quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be two. Subject to the provisions of these articles, any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of the board meeting if no other director objects and if otherwise a quorum of directors would not be present.

### **85 Directors below Minimum through Vacancies**

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

### **86 Appointment of Chairman**

The board may appoint a director to be the chairman or a deputy chairman of the board, and may at any time remove him from that office. The chairman or failing him a deputy chairman shall act as chairman at every meeting of the board. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a director longest shall take the chair. But if no chairman or deputy chairman is appointed, or if at any meeting neither the chairman nor any

deputy chairman is present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

87                    **Competence of Meetings**

A meeting of the board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the board.

88                    **Voting**

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

89                    **Delegation to Committees**

- (A)     The board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit, provided that the majority of persons on any committee or sub-committee must be directors. References in these articles to committees include sub-committees permitted under this article.
- (B)     Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the board. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these articles for regulating the meetings and proceedings of the board so far as the same are applicable and are not superseded by any regulations imposed by the board.
- (C)     The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board.

90                    **Participation in Meetings by Telephone**

All or any of the members of the board or any committee of the board may participate in a meeting of the board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

91

**Resolution in Writing**

A resolution in writing signed by all the directors for the time being entitled to receive . notice of a meeting of the board (if that number is sufficient to constitute a quorum) or by all the members of a committee for the time being so entitled shall be as valid and effectual as a resolution passed at a meeting of the board or, as the case may be, of the committee properly called and constituted. The resolution may be contained in one document or in several documents in like form each signed by one or more of the directors or members of the committee concerned. In this article references to in writing include the use of electronic communication subject to such terms and conditions as the board may decide.

92

**Validity of Acts of Board or Committee**

All acts done by the board or by any committee or by any person acting as a director or member of a committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the board or committee or person so acting or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if each such member or person had been properly appointed and was qualified and had continued to be a director or member of the committee and had been entitled to vote.

**SECRETARY**

93

**Appointment and Removal of the Secretary**

Subject to the provisions of the Companies Acts, the secretary shall be appointed by the board for such term and upon such conditions as the board may think fit; and any secretary so appointed may be removed by the board. The secretary shall receive such remuneration as the board or any committee authorised by the board shall decide.

**SEALS**

94

**Use of Seals**

The board shall provide for the custody of every seal of the company. A seal shall only be used by the authority of the board or of a committee of the board authorised by the board in that behalf. Subject as otherwise provided in these articles, and to any resolution of the board or committee of the board dispensing with the requirement for counter-signature on any occasion, any instrument to which the common seal is applied shall be signed by at least one director and the secretary, or by at least two directors or by such other person or persons as the board may approve. Any instrument to which an official seal is applied need not, unless the board for the time being otherwise decides or the law otherwise requires, be signed by any person.

**DIVIDENDS AND OTHER PAYMENTS**

95

**Declaration of Dividends by Company**

Subject to the provisions of the Companies Acts, the company may by ordinary resolution from time to time declare dividends in accordance with the respective

rights of the members, but no dividend shall exceed the amount recommended by the board.

96

### **Payment of Interim and Fixed Dividends by Board**

Subject to the provisions of the Companies Acts, the board may pay such interim dividends as appear to the board to be justified by the financial position of the company and may also pay any dividend payable at a fixed rate at intervals settled by the board whenever the financial position of the company, in the opinion of the board, justifies its payment. If the board acts in good faith, it shall not incur any liability to the holders of any shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend on any other class of shares ranking *pari passu* with or after those shares.

97

### **Calculation and Currency of Dividends**

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:-

- (i) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this article as paid up on the share;
- (ii) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid; and
- (iii) dividends may be declared or paid in any currency.
- (iv) The board may decide the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

98

### **No Interest on Dividends**

Subject to the rights attaching to, or the terms of issue of, any shares, no dividend or other moneys payable by the company on or in respect of any share shall bear interest against the company.

99

### **Payment Procedure**

Any dividend or other sum payable in cash by the company in respect of a share may be paid by cheque, warrant or similar financial instrument sent by post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the register in respect of the shares at his address as appearing in the register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every cheque, warrant or similar financial instrument shall, unless the holder or joint holders otherwise direct, be made payable to the holder or, in the case of joint holders, to the holder whose name stands first on the register in respect of the shares, and shall be sent at his or their risk and payment of the cheque, warrant or similar financial instrument by the financial institution on which it is drawn shall constitute a good discharge to the company. In addition, any such dividend or

other sum may be paid by any bank or other funds transfer system or such other means and to or through such person as the holder or joint holders may in writing direct, and the company shall have no responsibility for any sums lost or delayed in the course of payment by any such system or other means or where it has acted on any such directions. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares held by them. Where a person is entitled by transmission to a share, any dividend or other sum payable by the company in respect of the share may be paid as if he were a holder of the share and his address noted in the register were his registered address and where two or more persons are so entitled, any one of them may give effectual receipts for any dividends or other moneys payable or property distributable on or in respect of the shares.

100

### **Uncashed Dividends**

The company may cease to send any cheque, warrant or similar financial instrument through the post or to employ any other means of payment, including payment by means of a relevant system, for any dividend payable on any shares in the company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques, warrants or similar financial instruments have been returned undelivered or remain uncashed during or at the end of the period for which the same are valid or that means of payment has failed. In addition, the company may cease to send any cheque, warrant or similar financial instrument through the post or may cease to employ any other means of payment if, in respect of one dividend payable on those shares, the cheque, warrant or similar financial instrument has been returned undelivered or remains uncashed during or at the end of the period for which the same is valid or that means of payment has failed and reasonable enquiries have failed to establish any new address or account of the holder. Subject to the provisions of these articles, the company must recommence sending cheques, warrants or similar financial instruments or employing such other means in respect of dividends payable on those shares if the holder or person entitled by transmission requests such recommencement in writing.

101

### **Forfeiture of Unclaimed Dividends**

All dividends or other sums payable on or in respect of any shares which remain unclaimed may be invested or otherwise made use of by the board for the benefit of the company until claimed. Any dividend or other sum unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and shall revert to the company and the payment by the board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the company a trustee in respect of it.

102

### **Dividends Not in Cash**

Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any assets or any part thereof to be distributed and may determine that cash shall be paid to any members upon the

footing of the value so fixed in order to secure equality of distribution and may vest any assets to be distributed in trustees as may seem expedient to the board.

## **CAPITALISATION OF RESERVES**

### **103 Power to Capitalise Reserves and Funds**

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

### **104 Settlement of Difficulties in Distribution**

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

## **RECORD DATES**

### **105 Power to Choose Any Record Date**

Notwithstanding any other provision of these articles, the company or the board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made. The power to fix any such record date shall include the power to fix a time on the chosen date.

## **ACCOUNTING RECORDS AND SUMMARY FINANCIAL STATEMENTS**

### **106 Records to be Kept**

The board shall cause to be kept accounting records sufficient to show and explain the company's transactions, and such as to disclose with reasonable

accuracy at any time the financial position of the company at that time, and which accord with the Companies Acts.

107

### **Inspection of Records**

No member in his capacity as such shall have any right of inspecting any accounting record or book or document of the company except as conferred by law, ordered by a court of competent jurisdiction or authorised by the board or by ordinary resolution of the company.

## **SERVICE OF NOTICES AND DOCUMENTS**

108

### **Service of Notices**

Any notice or document (including a share certificate) may be served on or delivered to any member by the company either personally or by sending it through the post addressed to the member at his registered address or by leaving it at that address addressed to the member or by means of a relevant system or, where appropriate, by using electronic communications or by publication on a web site or sites in accordance with the Companies Acts or by any other means authorised in writing by the member concerned. In the case of joint holders of a share, service or delivery of any notice or document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.

109

### **Record Date for Service**

Any notice or document may be served or delivered by the company by reference to the register as it stands at any time not more than 15 days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served on or delivered to any person in respect of a share in accordance with these articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.

110

### **Members Resident Abroad**

Any member whose registered address is not within the United Kingdom and who gives to the company a postal address within the United Kingdom at which notices or documents may be served upon, or delivered to, him shall be entitled to have notices or documents served upon, or delivered to, him at that address. Any member whose registered address is not within the United Kingdom and who gives to the company an address for the purposes of electronic communications shall, at the absolute discretion of the board, be entitled to have notices or documents served upon, or delivered to, him at that address. Otherwise, a member whose registered address is not within the United Kingdom shall not be entitled to receive any notice or document from the company.

111

### **Service of Notice on Person Entitled by Transmission**

A person who is entitled by transmission to a share, upon supplying the company with a postal address within the United Kingdom for the service of notices or an address for the purposes of electronic communications, shall be entitled (but in the case of electronic communications only at the absolute discretion of the

board) to have served upon or delivered to him at such address any notice or document to which he would have been entitled if he were the holder of that share and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claimants through or under him) in the share. Otherwise, any notice or other document served on or delivered to any member pursuant to these articles shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the company has notice of the death, bankruptcy or other event, be deemed to have been properly served or delivered in respect of any share registered in the name of that member as sole or joint holder.

112

### **When Notice Deemed Served**

Any notice or document, if sent by the company by post, shall be deemed to have been served or delivered on the day following that on which it was put in the post and, in proving service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, prepaid and put in the post. Any notice or document not sent by post but left by the company at a registered address or at an address (other than an address for the purposes of electronic communication) notified to the company in accordance with these articles by a person who is entitled by transmission to a share shall be deemed to have been served or delivered on the day it was so left. Any notice served or delivered by the company by means of a relevant system shall be deemed to have been served or delivered when the company or any sponsoring system-participant acting on its behalf sends the issuer-instruction relating to the notice. Any notice or document sent by the company by electronic communication shall be deemed to have been served or delivered on the day following that on which it was sent. Any notice or document served or delivered by the company by any other means authorised in writing by the member concerned shall be deemed to have been served or delivered when the company has carried out the action it has been authorised to take for that purpose.

113

### **Notice When Post Not Available**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom the company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least one newspaper with a national circulation. Notice published in this way shall be deemed to have been properly served on all members and persons entitled by transmission, who are entitled to have notice of the meeting served upon them, on the day when the advertisement has appeared in at least one such paper. If at least six clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom has again become practicable, the company shall send confirmatory copies of the notice by post to the persons entitled to receive them.

## **WINDING UP**

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### **Distribution of Assets Otherwise Than in Cash**

If the company commences liquidation, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Companies Acts:-



- (i) divide among the members in kind the whole or any part of the assets of the company (whether they shall consist of property of the same kind or not) and, for that purpose, set such values as he deems fair upon any property to be divided and determine how the division shall be carried out as between the members or different classes of members, or
- (ii) vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit

but no member shall be compelled to accept any shares or other assets upon which there is any liability.

## **INDEMNITY**

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### **Indemnity of Officers**

Subject to the provisions of the Companies Acts, the company may indemnify any director or other officer against any liability and may purchase and maintain for any director or other officer insurance against any liability. Subject to those provisions, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the company shall be indemnified out of the assets of the company against any liability incurred by him as a director or other officer of the company, in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application under the Companies Acts in which relief is granted to him by the court.

For the purposes of this article no person appointed or employed by the company as an auditor is an officer of the company.

**Registered No. 4006741**

**THE COMPANIES ACT 1985**

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**COMPANY LIMITED BY SHARES**

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**NEW**

**ARTICLES OF ASSOCIATION**

**- of -**

**FLEMING FAMILY & PARTNERS LIMITED**

**(Adopted on 7 November 2000  
as amended by Special Resolutions passed on  
17 January 2002, 26 March 2002 and 23 July 2003)**

Macfarlanes  
10 Norwich Street  
London EC4A 1BD

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