

Company Number: 3769328

The Companies Acts 1985 to 2006  
PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

SPORT MEDIA GROUP PLC

(To be adopted by special resolution on 16<sup>th</sup> June 2010)

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**PRELIMINARY**

1.

(A) The regulations in Table A in the Companies (Table A to F) Regulations 1985 do not apply to the Company except insofar as they are repeated or contained in these Articles.

(B) In these regulations -

"**2006 Act**" means the Companies Act 2006.

"**the Act**" means the Companies Act 1985 including any statutory modification or re-enactment thereof and statutory instrument relevant thereto or derived therefrom for the time being in force.

"**the Articles**" means the Articles of the Company.

"**Board**" means the board of directors of the Company from time to time.

"**business day**" means a day (other than a Saturday, Sunday or public holiday) when banks in the City of London are open for business.

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

"**electronic form**" and "**electronic means**" shall, where the context so admits, have the same meaning as in the 2006 Act.

"**executed**" includes any mode of execution whether under seal or under hand.

"**office**" means the registered office of the Company.

"**holder**" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

"**member**" means any holder for the time being of shares.

"**the Regulations**" means the Uncertificated Securities Regulations 2001.

"**the seal**" means the common seal of the Company.

"**secretary**" means any person appointed to perform the duties of the secretary of the Company including a joint assistant or deputy secretary.

"**shares**" means (unless the context does not so admit) shares in the capital of the Company (of whatsoever class).

"**Statutes**" means the Act, the Companies Act 1989, the 2006 Act, the Regulations and every statute or subordinate legislation for the time being in force concerning companies and affecting the Company.

"**in writing**" and "**written**" include printing, lithography, typewritten, photography and other modes of representing or reproducing words in visible form whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act (as in force when these regulations become binding on the Company).

Any reference herein to the provisions of any statute or of any subordinate legislation shall extend to and include any amendment or re-enactment of or substituting for the same effected by any subsequent statute.

Words denoting the singular include the plural and vice versa. Words denoting the masculine include the feminine and neuter. Words denoting persons include corporations.

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the Articles or the Act.

#### SHARE CAPITAL

2. The capital of the Company at the date of the adoption of these Articles is £500,000 divided into 200,000,000 ordinary shares of 0.25 pence each.
3. Subject to the provisions of the Statutes and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
4. Subject to the provisions of the Statutes and any resolution of the Company in general meeting, all unissued shares of the Company shall be at the disposal of the Board which may allot, grant options over or otherwise dispose of them to such persons, on such terms and at such times as it may think fit.
5. Subject to the provisions of the Statutes, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles.
6. The Company (or the Board on behalf of the Company) may exercise the powers of paying commissions conferred by the Statutes. Subject to the provisions of the Statutes any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
7. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust (express, implied or otherwise) and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

## VARIATION OF RIGHTS

8. Unless otherwise provided by the rights attached to any shares, those rights shall be deemed to be varied by the reduction of the capital paid up on the shares and by the allotment of further shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by such first mentioned shares, but shall not otherwise be deemed to be varied by the creation or issue of further shares.

## UNCERTIFICATED SHARES

9. The Company can issue shares and other securities which do not have certificates. The Company can:-
  - 9.1 permit existing shares and other securities to be held without certificates; and
  - 9.2 permit any shares or other securities (held without certificates) to be transferred, in both cases in dematerialised form pursuant to the Regulations.
10. If the Company has any shares in issue which are in uncertificated form, the Articles will continue to apply to such shares, but only insofar as they are consistent with:-
  - 10.1 holding those shares as uncertificated shares;
  - 10.2 transferring ownership of those shares by using a relevant system;
  - 10.3 any of the provisions of the Regulations; and
  - 10.4 any regulation laid down by the Board under the provisions of this Article.
11. Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Statutes or the rules made and practices instituted by the operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to:-
  - 11.1 require any holder of any uncertificated shares which are the subject of any exercise by the Company or any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system otherwise, as may be necessary to sell or transfer such shares; and/or
  - 11.2 appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of shares as may be required to effect transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned; and/or
  - 11.3 transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register in respect of that share as a transferred share; and/or

- 11.4 otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and/or
  - 11.5 take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him.
12. The Board can also lay down regulations:-
- 12.1 which govern the issue, holding and transfer and, where appropriate, the mechanics of conversion and redemption of uncertificated shares;
  - 12.2 which govern the mechanics for payments involving the relevant system; and
  - 12.3 which make any other provisions which the Board consider are necessary to ensure that these Articles are consistent with the Regulations, and with any rules or guidance of an operator of a relevant system under the Regulations
13. If stated expressly, such regulations will apply instead of other relevant provisions in these Articles relating to certificates and the transfer, conversion and redemption of shares and other securities and any other provisions which are not consistent with the Regulations. If the Board does make any regulations under Article 12, Article 10 will still apply to the Articles when read in conjunction with those regulations.

#### SHARE CERTIFICATES

14. Every member (other than a person who is not entitled to a certificate under the Statutes) shall upon the issue or transfer to him of shares in certificated form be entitled, without payment, to receive within fifteen business days after allotment or lodgement of a transfer to him of those shares one certificate for all the shares of each class held by him in certificated form and, upon transferring a part of the shares comprised in a certificate, a certificate for the balance of such shares without charge to the extent that the balance is held in certificated form. Shares of different classes may not be included in the same certificate. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
15. Share certificates of the Company (other than letters of allotment, scrip certificates and other like documents) shall, unless the Board by resolution otherwise determines, either generally or in any particular case or cases, be issued under the Seal or under any official seal kept by the Company by virtue of section 40 of the Act. Whether or not share certificates are issued under a seal, the Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any certificates for shares, stock or debenture or loan stock (except where the trust deed constituting any stock or debenture provides to the contrary) or representing any other form of security of the Company need not be autographic but may be applied to the certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person. Every share certificate shall specify the number and class of the shares to which it relates and the amount paid up on such shares.
16. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

## LIEN

17. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to all moneys payable in respect of it.
18. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise by operation of law demanding payment and stating that if the notice is not complied with the shares may be sold.
19. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in the proceedings in reference to the sale.
20. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

## CALLS ON SHARES AND FORFEITURE

21. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of a sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
22. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
24. If a call remains unpaid after it has become due and payable the person from whom the sum is due shall pay interest on the unpaid sum from the day it became due until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
25. A sum payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that sum had become due and payable by virtue of a call.

26. Subject to the terms of the allotment the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
27. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
28. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
29. Subject to the provisions of the Statutes, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, reallotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
30. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those monies before the forfeiture or, if no interest was payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
31. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### TRANSFER OF SHARES

32. All transfers of uncertificated shares shall be made in accordance with and be subject to the provisions of the Regulations and the facilities and requirements of the relevant system.
33. The instrument of transfer of any certified share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.
34. The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share which is not fully paid or on which the Company has a

lien but, if they do so, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

35. The directors may, pursuant to Article 40 refuse to register the transfer of shares which are the subject of a notice under section 793 of the 2006 Act and which represent 0.25 per cent or more in nominal value of the issued shares of their class and in respect of which the required information has not been received by the Company within 14 days of that notice.
36. The directors may also decline to recognise an instrument of transfer unless -
  - 36.1 it is lodged duly stamped at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
  - 36.2 it is in respect of only one class of share; and
  - 36.3 it is in favour of not more than four transferees.

If the directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

37. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
38. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
39. The Company shall be entitled to retain any instrument of transfer which is registered but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
40.
  - 40.1 If a member, or a person appearing to be interested in shares held by a member, has been duly served with a notice under section 793 of the 2006 Act and is in default for the prescribed period in supplying to the Company the required information, the directors may at any time, by notice (a '**direction notice**') to the member, direct that in respect of the shares in relation to which the default occurred (the '**default shares**') the member is not entitled to vote, either personally or by proxy, at a general meeting or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to general meetings of the holders of any class of shares of the Company.
  - 40.2 Where the default shares represent at least 0.25 per cent in nominal value of the issued shares of a class, the direction notice may additionally direct:
    - 40.2.1 that any dividend (or any part thereof) or other money which would otherwise be payable in respect of each of the default shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member;

- 40.2.2 that no transfer of the default shares which is not an approved transfer shall be registered unless:
- 40.2.2.1 the member is not himself in default as regards supplying the information required; and
  - 40.2.2.2 the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a default share.
- 40.3 The Company shall send a copy of the notice to each other person appearing to be interested in the shares the subject of a direction notice but the failure or omission by the Company to do so shall not invalidate the notice.
- 40.4 A direction notice shall have effect in accordance with its terms for so long as the default in respect of which it was issued continues and (unless the direction notice otherwise determines) for a further period of one week but shall cease to have effect in relation to any default shares which are transferred by the member by means of an approved transfer.
- 40.5 For the purpose of this Article 40:
- 40.5.1 a person shall be treated as appearing to be interested in shares if the member holding the shares has given to the Company a notification under section 793 which either (a) names that person as being interested; or (b) fails to establish the identities of those interested in the shares and (after taking into account the notification and any other relevant section 793 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;
  - 40.5.2 the prescribed period is 14 days from the date of service of the notice under section 793; and
  - 40.5.3 a transfer of shares is an approved transfer if:
    - 40.5.3.1 it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take over offer for a company (as defined in section 974 of the 2006 Act); or
    - 40.5.3.2 the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in the shares; or
    - 40.5.3.3 the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services and Markets Act 2000 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded.
- 40.6 Nothing contained in this Article 40 shall limit the power of the directors under section 794 of the 2006 Act.

## TRANSMISSION OF SHARES

41. If a member dies the survivor or survivors where the deceased 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 interest; but nothing herein contained shall release the estate of a deceased member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.
42. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
43. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

## ALTERATION OF CAPITAL

44. The Company may by ordinary resolution -
  - 44.1 increase the share capital by new shares of such amount as the resolution prescribes;
  - 44.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - 44.3 subject to the provisions of the Statutes, 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 as compared with the others; and
  - 44.4 cancel 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.
45. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including subject to the provisions of the Statutes the Company) and distribute the proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
46. Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve, and any share premium account in any way.

#### PURCHASE OF OWN SHARES

47. Subject to the provisions of the Statutes, the Company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares out of (or otherwise than out of) distributable profits of the Company or the proceeds of a fresh issue of shares.

#### GENERAL MEETINGS

48. All general meetings other than annual general meetings shall be called extraordinary general meetings.
49. The directors may call general meetings and on the requisition of members pursuant to the provisions of the Statutes shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting any director or any member of the Company may call a general meeting.

#### NOTICE OF GENERAL MEETINGS

50. An annual general meeting shall be called by at least twenty-one clear days' notice, and an extraordinary general meeting shall be called by at least fourteen clear days' notice: but an extraordinary general meeting may be called by shorter notice if it is so agreed:-
- 50.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- 50.2 in the case of an extraordinary general meeting by a majority in numbers of the members having a right to attend and vote at the meeting being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting (excluding any shares in the Company so held as treasury shares).

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and in the case of an annual general meeting shall specify the meeting as such.

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

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

#### PROCEEDINGS AT GENERAL MEETINGS

52. No business shall be transacted at any meeting unless a quorum is present.
53. Subject to the provisions of Article 53 two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

54. If the Company only has one member, then such member present in person or by proxy or, if a corporate member, by its duly authorised representative shall be a quorum.
55. If a quorum is not present within half an hour from the time appointed for the meeting (or such longer time as the chairman of the meeting may decide), or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such time and place as the directors may determine. If at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, one person entitled to be counted in a quorum present at the meeting shall be a quorum.
56. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and if there is only one director present and willing to act, he shall be chairman.
57. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
58. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
59. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give notice of an adjournment.
60. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded:-
- 60.1 by the chairman; or
  - 60.2 by at least two members having the right to vote at the meeting; or
  - 60.3 by a member representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - 60.4 by a member holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
61. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall

be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

62. The demand for a poll may, before the poll is taken, be withdrawn with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
63. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
64. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
65. 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 at such time and place as the chairman directs not being more than thirty days after the poll is demanded. 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. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
66. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
67. Each director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting if the Company whom the chairman of the meeting considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the corporation, either under the common seal or under the hand of an officer or attorney so authorised or, if permitted by the Board, in electronic form in the manner and form and subject to such terms and conditions as the Board may decide. A person appointed to act as a proxy need not be a member of the Company. A member may appoint more than one proxy to attend and to speak and vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member. A proxy appointment which fails to specify a whole number of shares held by the member in respect of which each proxy is entitled to exercise rights shall be treated as invalid, as shall appointments purporting to appoint more than one person to exercise rights attached to the same share and appointments which in aggregate purport to relate to more shares than the number which the relevant records of the Company state the member purporting to appoint such proxies to hold. References in these Articles to an appointment of a proxy shall include reference to an appointment of multiple proxies.

#### VOTES OF MEMBERS

68. Subject to any rights or restrictions for the time being attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative or proxy, not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every £1 in nominal value of the shares of which he is the holder.

69. In the case of joint holders 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 seniority shall be determined by the order in which the names of the holders stand in the register of members.
70. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
71. Unless the directors otherwise determine, no member shall vote at any general meeting, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
72. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
73. On a poll votes may be given either personally or by proxy. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.
74. The instrument appointing a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, whether under the common seal or under the hand of an officer or attorney so authorised. A member may appoint more than one proxy to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member. Deposit of an instrument of proxy shall not preclude a member from attending, speaking and voting at the meeting or at any adjournment thereof.
75. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may
- 75.1 (in the case of an appointment not sent in electronic form) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- 75.2 (in the case of an appointment sent in electronic form) where an address has been specified for the purpose by the Company (generally or specifically) be received at that address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote; or
- 75.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and, not less than 24 hours before the time appointed for the taking of the poll; or

- 75.4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.
76. A vote given or poll demanded by 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 of the determination was received by the Company at the office, or at such other place at which the instrument of proxy was duly deposited, before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
77. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company but so that without prejudice to the generality of the foregoing or of section 323 of the 2006 Act any director or the secretary of any member of the Company which is a corporation shall be deemed to be a duly authorised representative of that member. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of the Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

#### NUMBER OF DIRECTORS

78. Unless otherwise determined by ordinary resolution the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

#### ALTERNATE DIRECTORS

79. Any director (other than an alternate director) may by writing under his hand and deposited at the office or delivered at a meeting of the directors appoint any other director, or any other person approved by resolution of the directors and willing to act to be an alternate director and may in like manner remove from office an alternate director so appointed by him.
80. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and, save as otherwise provided in the Articles, generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
81. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.
82. Any appointment or removal of an alternate director shall be by notice signed by the director making or revoking the appointment or in any other manner approved by the directors.

83. Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### POWERS OF DIRECTORS

84. Subject to the provisions of the Statutes the memorandum of association of the Company and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum of association or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made and that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

#### DELEGATION OF DIRECTORS' POWERS

85. The directors may delegate any of their powers:-
- 85.1 to any managing director or any director holding any other executive office; and/or
- 85.2 to any committee consisting of one or more directors.

The delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

86. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS

87. The Company may by ordinary resolution appoint any person to be a director either to fill a vacancy or as an additional director. Without prejudice thereto the directors may appoint a person to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed by the directors in any year shall hold office only until the next following annual general meeting and, if not then reappointed, shall vacate office.

#### DISQUALIFICATION AND REMOVAL OF DIRECTORS

88. The office of a director shall be vacated if:-
- 88.1 he ceases to be a director by virtue of any provision of the Act or the Articles or he becomes prohibited by law from being a director; or
- 88.2 he becomes bankrupt, has a receiving order made against him or makes any arrangement or composition with his creditors generally; or
- 88.3 he is, or may be suffering from mental disorder and either -

- 88.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or in Scotland in an application for admission under the Mental Health (Scotland) Act 1960; or
- 88.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 88.4 he resigns his office by notice to the Company; or
- 88.5 he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the resigns his office by notice to the Company; or
- 88.6 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period the directors resolve that his office be vacated.

#### REMUNERATION OF DIRECTORS

- 89. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### DIRECTORS' EXPENSES

- 90. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

#### DIRECTORS' APPOINTMENTS AND INTERESTS

- 91. Subject to the provisions of the Statutes, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases for any reason whatsoever to be a director but without prejudice to any claim to damages for breach of any contract of service between the director and the Company.
- 92. A Director may continue to be or become a director, managing director, manager, executive or other officer or member of, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company may be interested as shareholder or otherwise or any parent undertaking or subsidiary undertaking of any parent undertaking of the Company, and (unless otherwise agreed) no Director shall 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 such body corporate or undertaking. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company.

93. A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office or place of profit with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination).

94. Where arrangements are under consideration concerning the appointment (including the arrangement 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 another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of its terms or its termination) and except (in the case of an office or place of profit with another company) where the other company is a company in which the Director owns 2 per cent or more.

95.

95.1 Subject to the Statutes and to the next paragraph 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 or purchaser or in any other manner. No contract or arrangement in which a Director is interested shall be liable to be avoided. The Director shall not be liable to account to the Company or the members for any remuneration, profit or other benefits realised by the contract or arrangement by reason of his holding that office or of the resulting fiduciary relationship.

95.2 A Director who to his knowledge is interested, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement 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 interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with the company or firm shall be a sufficient declaration of interest under this Article in relation to any contract or arrangement made with the company or firm. A notice shall not be effective unless either it is given at a meeting of the Board or the Director giving it takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

95.3 Unless otherwise specified in these Articles or authorised by the Board in accordance with these Articles, a Director must not vote on (or be counted in the quorum in respect of) any resolution of the Board concerning a contract or arrangement or other proposal in which he is to his knowledge, directly or indirectly, materially interested. If he does, his vote shall not be counted. This prohibition does not apply to any of the following matters, namely:

95.3.1 any arrangement in which the Director's interest cannot be reasonably be regarded as likely to give rise to a conflict of interest;

- 95.3.2 any arrangement in which the Director's interest arises as a result of his directorship of any subsidiary or group company of the Company;
  - 95.3.3 a contract or arrangement for giving to the Director security or a guarantee or indemnity in respect of:
    - 95.3.3.1 money lent by him 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 subsidiaries; or
    - 95.3.3.2a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or part under a guarantee or indemnity or by the giving of security;
  - 95.3.4 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 subunderwriting of which the director is to participate;
  - 95.3.5 relating to another company in which he does not hold an interest in shares (within the meaning of section 820 to 825 of the 2006 Act) representing 2 per cent or more of any class of the equity share capital or of the voting rights in that company;
  - 95.3.6 relating to a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which has been approved by the Inland Revenue or is conditional upon that approval or does not award him any privilege or benefit not awarded to the employees to whom the scheme relates; or
  - 95.3.7 concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or the benefit of persons including Directors.
- 95.4 A company shall be deemed to be a company in which a Director owns 2 per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in 2 per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- 95.5 Where a company in which a Director owns 2 per cent or more is materially interested in a transaction, he shall also be deemed materially interested in the transaction.
- 95.6 If any question arises at any meeting of the Board as to the materiality of the interest of a Director or as to the entitlement of a Director (in each case, 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, it shall be referred to the chairman of the meeting. His ruling shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to the

Director has not been fairly disclosed to the Board. If the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board.

- 95.7 The Board may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director of Articles 95.3 and section 175 of the 2006 Act.
- 95.8 Authorisation of a matter under Article 95.7 shall be effective only if:
- 95.8.1 the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
  - 95.8.2 any requirement as to the quorum at the meeting of Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and
  - 95.8.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 95.9 Any authorisation of a matter pursuant to Article 95.7 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 95.10 Any authorisation of a matter pursuant to Article 95.7 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 95.11 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this Article 95.11 only applies if the existence of that connection has been authorised by the Directors under Article 95.7. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he fails:
- 95.11.1 to disclose any such information to the Directors or to any Director or other officer or employee of the Company; and/or
  - 95.11.2 to use any such information in performing his duties as a Director or officer or employee of the Company.
- 95.12 Where the existence of a Director's connection with another person has been authorised by the Directors under Article 95.7 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company,

the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he:

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

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

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsides.

95.13 The provisions of Articles 95.11 and 95.12 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

95.13.1 disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise; or

95.13.2 attending meetings or discussions or receiving documents and information as referred to in Article 95.12, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

95.14 For the purposes of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duty.

95.15 The Company may by ordinary resolution suspend or relax the provisions of this Article 95 to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

#### ROTATION OF DIRECTORS

96. At the annual general meeting in every year one-third of the Directors for the time being, or, if their number is not three or a multiple of thereof, the number nearest to (being at least) one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

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

#### DIRECTORS' GRATUITIES AND PENSIONS

98. The Company may provide benefits, whether by the payment of gratuities or pensions or otherwise, for any director who has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including spouse or former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such gratuity, pension or other benefit, or for the insurance of any such person.

## PROCEEDINGS OF DIRECTORS

99. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of any meeting of the directors (or any committee of the directors) may be given by telephone facsimile transmission or by telex or email. It shall not be necessary to give notice of a meeting to any director (or as the case may be any member of any such committee) who is absent from the United Kingdom unless such director or member has provided the Company with an address telephone number, telex number or email address to which notice is to be given. Any director may waive notice of any meeting other than one to be held by telephone or similar communicating equipment and any such waiver may be retroactive. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
100. The contemporaneous linking together by telephone or similar communicating equipment of the Company secretary and directors or members of a committee of the directors being in number not less than the quorum required for the transaction of the business of the directors or such committee, whether in the United Kingdom or elsewhere in the world, shall be deemed to constitute a meeting of the directors (or as the case may be a meeting of such committee), so long as the following conditions are met:-
- 100.1 all the directors or members of the committee of the directors for the time being entitled to receive notice of any meeting of the directors or of such committee (including any alternate director) shall have received notice of any such meeting and be entitled to be linked by telephone for the purpose of such meeting;
- 100.2 subject as provided in sub-regulation 100.4 each of the directors or members of such committee taking part and the Company secretary must be able to hear each of such other persons taking part throughout the meeting;
- 100.3 at the commencement of the meeting each participant must acknowledge his presence to all the other persons taking part in such meeting;
- 100.4 unless he has previously obtained the consent of the chairman of the meeting a person may not leave the meeting by disconnecting his telephone and shall conclusively be presumed to have been present and to have formed part of the quorum throughout the meeting. The meeting shall be deemed to have been validly conducted notwithstanding that a participant's telephone is accidentally disconnected during the meeting, and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected;
- 100.4.1 a minute of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if signed by the chairman of such meeting.
101. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be one until the first occasion when the Company has more than one director holding office as such and thereafter shall be two. A director or a member of a committee of the directors shall be treated as present at a meeting of the directors or any such committee notwithstanding that he is not physically present if he is in communication with the meeting by telephone or similar communicating equipment. A director or member of a committee of the directors who is in communication as aforesaid shall be counted as part of the quorum

for such meeting. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

102. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
103. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. The director so appointed shall preside at every meeting of directors at which he is present but if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
104. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
105. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
106. Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:-
  - 106.1 the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
  - 106.2 the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - 106.3 his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any of its subsidiaries for subscription, purchase or exchange;
  - 106.4 the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes;

106.5 any arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the director benefits in a similar manner to the employees and that does not accord to any director as such any privilege or advantage not generally accorded to the employees to whom such arrangement relates.

For the purposes of this regulation an interest of a person who is for any purpose of the Statutes (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company) connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

107. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
108. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
109. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
110. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### BORROWING POWERS

111. Subject as hereinafter provided and to the provisions of the Act, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### SECRETARY

112. Subject to the provisions of the Statutes, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### MINUTES

113. The directors shall cause minutes to be made in books kept for the purpose:-
- 113.1 of all appointments of officers made by the directors;
- 113.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors including the names of the directors present at each such meeting.

## THE SEAL

- 114.
- (A) No instrument shall be executed by the Company otherwise than by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and except as otherwise so determined it shall be signed by a director and by the secretary or by a second director.
  - (B) Any instrument signed by a director and by the secretary or by a second director and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the seal. The directors may by resolution determine that such signatures of either of them shall be affixed by same mechanical or electronic method.

## DIVIDENDS

115. Subject to the provisions of the Statutes the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
116. Subject to the provisions of the Statutes, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
117. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
118. The directors may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share.
119. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
120. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the

person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

121. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
122. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

#### ACCOUNTS

123. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by the Statutes or authorised by the directors or by ordinary resolution of the Company.

#### CAPITALISATION OF PROFITS

124. The directors may with the authority of an ordinary resolution of the Company:-
  - 124.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
  - 124.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be issued to members credited as fully paid;
  - 124.3 resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall rank for dividend only to the extent that the latter shares rank for dividend;
  - 124.4 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
  - 124.5 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

## NOTICES

125. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
126. The Company can deliver a notice or other document or information, including a share certificate, to a shareholder:
- (a) by delivering it by hand to the address recorded for the shareholder on the register;
  - (b) by sending it by post or other delivery service in an envelope (with postage or delivery paid) to the address recorded for the shareholder on the register;
  - (c) by fax (except for a share certificate) to an address notified by the shareholder in writing; or
  - (d) by electronic mail (except for a share certificate) to an address notified by the shareholder in writing.

This article does not affect any provision in any relevant legislation or the Articles requiring notices or documents to be delivered in a particular way.

In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who give to the Company an address within the United Kingdom at which notices may be given may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.

127. A member present, either in present or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
128. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title.
129. If a notice or document is delivered by hand, it is treated as being delivered at the time it is handed to or left for the shareholder.

If a notice or document is sent by post or other delivery service not referred to below, it is treated as being delivered 48 hours after the envelope containing it was posted. Proof that the envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.

If a notice or document (other than a share certificate) is sent by fax, it is treated as being delivered 48 hours after the time it was sent.

If a notice or document (other than a share certificate) is sent by electronic mail, it is treated as being delivered 48 hours after the time it was sent.

Proof that a notice contained in a fax or electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.

130. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

#### WINDING UP

131. If the Company is wound up, the liquidator may, subject to the Statutes with the authority of a special resolution of the Company and any other sanction required by the Statutes, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### INDEMNITY

132. Subject to the provisions of the Statutes (but so that this Article does not extend to any matter insofar as it would cause this Article or any part of it to be void under the Statutes) but without prejudice to any indemnity to which the person may otherwise be entitled, every director or their officer of the Company or any Group Company excluding the Auditors and their respective executors or administrators shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities (together "**Liabilities**") which he may sustain or incur in or about the actual or purported execution and/or discharge of his duties (including the duties, powers and discretions in relation to any Group Company) or any Company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act) and/or the actual or purported exercise of his powers or discretions and/or other use in relation thereto or in connection therewith including (without prejudice to the generality of the foregoing) any Liability suffered or incurred by him in disputing or defending investigating or providing evidence in connection with defending any proceedings, whether civil or criminal or regulatory which relates to anything done or omitted by him as an officer or employee of the Company and, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

#### ELECTRONIC COMMUNICATIONS

133. Notwithstanding anything in these Articles to the contrary:
- 133.1 For the purposes of paragraph 10(2)(b) of Schedule 5 to the 2006 Act, the Company may give, send, supply, deliver or provide documents or information to members by making them available on a website.
- 133.2 Any document or information to be given, sent, supplied, delivered or provided to any person by the Company, whether pursuant to those Articles, the Statutes or otherwise, is also to be treated as given, sent, supplied, delivered or provided where it is made available on a website or is sent in electronic form, in the manner provided by the 2006 Act for the purposes of, inter alia,

the 2006 Act (subject to the provisions of these Articles). Unless a member notifies the Company that it does not wish to receive documents or information in this manner following a specific request in accordance with the 2006 Act, the Company may satisfy its obligation to send a member any notice or other document by:

- 133.2.1 publishing such notice or document on a web site; and
- 133.2.2 notifying him by email that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where it may be accessed, how it may be accessed and (if it is a notice relating to a shareholders' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Statutes; (ii) the place, date and time of the meeting; (iii) whether the meeting is to be an annual or extraordinary general meeting, and (iv) such other information as the Statutes may prescribe.

For the purposes of paragraph 6.1.8R(1) of the Disclosure and Transparency Rules, the Company may use electronic means (as defined therein) to convey information or documents to members.

- 133.3 The directors may from time to time make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the giving of notices or other documents or information by electronic means by or to the Company and otherwise for the purposes of implementing and/or supplementing the provisions of these Articles and the Statutes in relation to electronic means; and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article.