

**ARTICLES OF ASSOCIATION
OF
CERILLION PLC**



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LONDON

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THE COMPANIES ACT 2006
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CERILLION PLC

ADOPTED BY WRITTEN RESOLUTION PASSED ON 2015

1. EXCLUSION OF MODEL ARTICLES

No articles or regulations set out in the Act or in any statutory instrument or other subordinate legislation made under the Act or any other Legislation shall apply as the articles or regulations of the Company. The following shall be the Company's articles of association.

2. INTERPRETATION

2.1 In these Articles, unless the context otherwise requires:

"**Act**" means the Companies Act 2006;

"**address**" in relation to electronic communications, includes any number or address (including, in the case of any Uncertificated Proxy Instruction permitted in accordance with these Articles, an identification number of a participant in CREST) used for the purposes of such communications;

"**alternate director**" has the meaning given to it in Article ~~47.1~~[47.1](#);

"**Articles**" means these articles of association, including any changes made to them from time to time, and the expression "**this Article**" refers to a particular article in these articles of association;

"**Auditors**" means the auditor of the Company;

"**Base Rate**" means the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998 (including any successor body or act having an equivalent purpose);

"**Board**" means the directors or any of them acting as the board of directors of the Company;

"**Board Resolution**" means a resolution of the Board passed in accordance with these Articles;

"**certificated share**" means a share which is not an uncertificated share and references in these Articles to a share being held "**in certificated form**" shall be construed accordingly;

"**chairman**" means the chairman of the Board;

"**class meeting**" means a separate general meeting of the holders of a particular class of shares;

"**clear days**" in relation to a 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;

"**Company**" means Cerillion PLC;

"**Conflict**" has the meaning given to it in Article ~~50.4~~[50.1](#);

"**CREST**" means the electronic settlement system for securities traded on a recognised investment exchange and owned by the Operator, or any similar system;

"**directors**" means the executive and non-executive directors of the Company who make up its Board (and "**director**" means any one of them) or, where applicable, the directors present at a Board meeting at which a quorum is present;

"**electronic communication**" has the meaning given to it in section 15 of the Electronic Communications Act;

"**Electronic Communications Act**" means the Electronic Communications Act 2000 (as amended from time to time);

"**electronic form**" means a form specified by section 1168(3) of the Act and otherwise complying with the provisions of that section;

"**electronic means**" has the same meaning as in the Act;

"**entitled by law**" means, in relation to a share, being noted in the register as being entitled to a share as a result of the death or bankruptcy of a shareholder or some other event which gives rise to the transmission of the share by operation of law;

"**Group**" means the Company and its subsidiary undertakings;

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

"**Identified Shares**" has the meaning given to it in Article 17.1;

"**Legislation**" means the Act, the uncertificated securities regulations and the Electronic Communications Act, and every other statute, statutory instrument, regulation or order for the time being in force concerning companies in so far as it concerns the Company;

"**Listing**" means the successful application and admission of all or any of the shares or securities representing such shares to trading on AIM, a market of that name operated by the London Stock Exchange plc;

"**Material Holding**" has the meaning given to it in Article ~~50.11~~[50.11](#);

"**Operator**" means Euroclear UK and Ireland Limited, or such other person who may for the time being be approved by HM Treasury as the "operator" pursuant to the uncertificated securities rules;

"**ordinary shareholder**" means a holder of ordinary shares;

"**ordinary shares**" means the Company's ordinary shares of £0.005 pence each;

"**paid up**" means paid or treated (credited) as paid up;

"**pay**" includes any kind of reward or payment for services;

"**register**" means the Company's register of shareholders and, at any time when the Company has shares in issue which are CREST shares, means the register of members holding uncertificated shares (maintained by CREST) and the register of members holding certificated shares (maintained by the Company) and "**registered**" shall be construed accordingly;

"**Relevant Director**" has the meaning given to it in Article ~~50.2~~[50.2](#);

"**Relevant Person**" has the meaning given to it in Article 17.1;

"**Relevant Situation**" has the meaning given to it in Article ~~50.4~~[50.4](#);

"**Restriction Notice**" has the meaning given to it in Article 17.2;

"**seal**" means any common or official seal that the Company may be permitted to have under the Legislation;

"**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 directors to perform any of the duties of the secretary;

"**shares**" means shares in the capital of the Company;

"**shareholder**" means a holder of shares;

"**Statutory Notice**" has the meaning given to it in Article 17.1;

"**Subscription Price**" means in respect of any share, the subscription price paid (or agreed to be paid) in respect of that share, including any share premium;

"Uncertificated Proxy Instruction" means a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of CREST and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of CREST);

"uncertificated securities rules" means the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) as amended or replaced from time to time and any subordinate legislation or rules made under them for the time being in force, and any other provision in the Legislation which relates to uncertificated shares or to the transfer of uncertificated shares or how the ownership of uncertificated shares is evidenced;

"uncertificated share" means a share which is noted on the shareholders' register as being held through CREST, and references in these Articles to a share being **"in uncertificated form"** shall be construed accordingly; and

"United Kingdom" means Great Britain and Northern Ireland.

- 2.2 References in these Articles to a document being **"executed"**, **"signed"** or to **"signature"** include references to its being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, such references are to its being authenticated as specified by the Legislation.
- 2.3 References in these Articles to **"writing"** and to any form of **"written"** communication include references to any method of representing or reproducing words in a legible and non-transitory form, including anything in electronic form or made available on a website.
- 2.4 Any words or expressions defined in the Legislation in force when these Articles or any part of these Articles are adopted will (if not inconsistent with the subject or context in which they appear) have the same meaning in these Articles or that part save the word **"company"** shall include any body corporate.
- 2.5 References to a meeting will not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- 2.6 Headings in these Articles are only included for convenience and do not affect the interpretation or construction of these Articles.
- 2.7 Subject to the Act, a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

3. LIMITED LIABILITY

The liability of the Company's members is limited to any amount which is unpaid on the shares held by them.

4. RIGHTS ATTACHED TO SHARES

Subject to the Legislation, the Company may issue shares with any rights or restrictions attached to them as long as this is not restricted by any rights attached to existing shares. These rights or restrictions can be decided either by an ordinary resolution passed by the shareholders or by Board Resolution as long as there is no conflict with any resolution passed by the shareholders. These rights and restrictions will apply to the relevant shares as if they were set out in these Articles.

5. REDEEMABLE SHARES

Subject to the Legislation and without prejudice to any rights attached to existing shares, the Company may issue shares which can be redeemed, including shares which may be redeemed at the option of the shareholder and shares which may be redeemed at the option of the Company. The Board may determine the terms, conditions and manner of redemption of any redeemable shares. Any such terms and conditions will apply to the relevant shares as if they were set out in these Articles.

6. RETURN OF CAPITAL

6.1 On a distribution of assets of the Company among its members on a liquidation or other return of capital (other than a conversion, redemption or purchase by the Company of its own shares) at any time prior to a Listing, the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent the Company is lawfully able to do so), in the following order of priority:

- (a) first, in paying to the shareholders in respect of each share held an amount equal to the Subscription Price for such share provided that if there are insufficient assets available to satisfy the amounts per share equal to the Subscription Price, the assets shall be distributed to the shareholders pro rata to the aggregate amounts due under this Article 6.1 to each such share held; and
- (b) second, in distributing the balance (if any) among the holders of the shares pro rata to the number of shares held; and

6.2 On a distribution of assets of the Company among its members on a liquidation or other return of capital (other than a conversion, redemption or purchase by the Company of its own shares) at any time after a Listing, the assets of the Company remaining after the payment of its liabilities shall be distributed (to the extent the Company is lawfully able to do so) among the holders of the shares pro rata to the number of shares held.

7. SHARES

Subject to:

- (a) the Legislation;
- (b) these Articles;

- (c) any resolution passed by the shareholders; and
- (d) any rights attached to existing shares,

the shares of the Company 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 (including the directors themselves), at such times, for such consideration and upon such terms and conditions as the Board may determine.

8. VARIATION OF RIGHTS

8.1 Subject to the Legislation, whenever the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be amended or abrogated by:

- (a) a resolution in writing of shareholders holding at least three quarters of the issued shares of that class by nominal value (excluding any shares of that class held as treasury shares); or
- (b) a special resolution passed at a separate class meeting.

8.2 All the Articles relating to general meetings will apply to any such class meeting, with any necessary changes. The following changes will also apply:

- (a) a quorum will be present if at least two shareholders who are entitled to vote are present in person or by proxy who own at least one third in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares);
- (b) any shareholder who is present in person or by proxy and entitled to vote can demand a poll and every such holder shall on a poll have one vote for every share of the class held by him; and
- (c) at an adjourned meeting, one person entitled to vote and who holds shares of the relevant class, or his proxy, will be a quorum.

The provisions of this Article will apply to any change of rights of shares forming part of a class, including the creation of a class of shares ranking in priority to that class. Each part of the class which is being treated differently is treated as a separate class in applying this Article.

8.3 The rights attaching to any class of shares shall not be deemed to be varied by:

- (a) the creation or issue of another class of shares ranking equally with or subsequent to that class of shares or the purchase or redemption by the Company of its own shares; or

- (b) the Company permitting, in accordance with the Legislation, the holding of and transfer of shares in uncertificated form.

9. COMMISSION AND BROKERAGE

The Company is entitled, at the discretion of the Board, to use all of the powers given to it by the Legislation to pay commission or brokerage. Subject to the Legislation, the Board may agree that such commission or brokerage be satisfied in cash, by the allotment of fully or partly paid shares, by the grant of options to call for an allotment of shares, or by any combination of the foregoing.

10. TRUSTS

- 10.1 Save as expressly contemplated by these Articles or required by law, the Company will not recognise any person as holding any share upon any trust, and shall not be bound by or required in any way to recognise any interest in any shares other than a current and absolute right to whole shares.
- 10.2 Article 10.1 shall apply notwithstanding any notice given to the Company of a trust or interest in shares.

11. UNCERTIFICATED SHARES

- 11.1 Subject to the uncertificated securities rules, the Board may:
 - (a) permit the ownership of any class of shares to be evidenced otherwise than by way of share certificates and for these shares to be transferred through CREST, provided that the shares of that class are identical in all respects; and
 - (b) withdraw a class of shares from being transferred through CREST and from allowing ownership of them to be evidenced without share certificates.
- 11.2 Uncertificated shares do not form a class of shares separate from certificated shares with the same rights.
- 11.3 If the Company has any shares in issue which are uncertificated shares, these Articles apply to those shares other than to the extent that any provision in these Articles is inconsistent with:
 - (a) the holding of shares in uncertificated form;
 - (b) transferring title to shares through CREST;
 - (c) any provision of the uncertificated securities rules; or
 - (d) the Company exercising any of its powers or functions or doing anything through CREST,

and, without affecting the general nature of this Article, no provision of these Articles shall apply or have effect so far as it is inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of uncertificated shares.

- 11.4 The Board may permit uncertificated shares to be changed to become certificated shares and certificated shares to be changed to become uncertificated shares, provided that the Legislation and any requirements of CREST are complied with in relation to any such conversion.
- 11.5 If under these Articles, the Legislation or the rules of the London Stock Exchange the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over any uncertificated share, then, subject to these Articles, the Legislation, and any requirements of CREST, the Board may:
- (a) require the holder of that uncertificated share by written notice to change that uncertificated share to a certificated share within a period specified in the notice and to keep it as a certificated share for as long as the Board shall require;
 - (b) require the holder of the uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system (as defined in the uncertificated securities rules) within the periods specified by the notice;
 - (c) appoint any person to take any other steps, by instruction given through CREST or otherwise, in the name of the holder of that share as may be necessary to effect the transfer of that share and these steps will be as effective as if they had been taken by the registered holder of that share, and
 - (d) take any other action that the directors consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.
- 11.6 Unless the directors decide otherwise, CREST shares held by a shareholder will be treated as separate holdings from any certificated shares which that shareholder holds.
- 11.7 Unless the uncertificated securities rules otherwise require or the directors otherwise determine, shares which are issued or created from or in respect of CREST shares will be CREST shares and shares which are issued or created from or in respect of certificated shares will be certificated shares.
- 11.8 The Company can assume that entries on any record of securities kept by it as required by the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and therefore will not be liable in respect of anything done or not done by or on its behalf in reliance on such assumption, in particular, any provision of these Articles which requires or envisages action to be taken in reliance on information contained in the register allows that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

12. SHARE CERTIFICATES

- 12.1 Any person (other than a person to whom the Company is not required by the Legislation to issue a share certificate) becoming the registered holder of a certificated share shall be entitled, without payment and within the time limits prescribed by the Legislation, to one certificate for all of the certificated shares of each class held by him.
- 12.2 A share certificate must state the number and class of shares to which it relates and the amount paid up on those shares.
- 12.3 A member who transfers a part of his holding of certificated shares of any class shall be entitled to a certificate for the balance of his holding without payment and within the time limits prescribed by the Legislation.
- 12.4 A member who receives more certificated shares of any class shall be entitled to a certificate for the extra shares without payment and within the time limits prescribed by the Legislation.
- 12.5 The Company shall not be required to issue more than one certificate for certificated shares held jointly by more than one person. Delivery of a certificate to one joint holder shall be sufficient delivery to all joint holders.
- 12.6 Shares of different classes may not be included on the same share certificate.
- 12.7 If a share certificate is damaged, defaced, worn out, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity and payment of any exceptional out-of-pocket expenses reasonably incurred by the Company in investigating evidence and preparing the requisite form of indemnity as the Board may determine, including any terms imposed by the Company's registrar from time to time, but otherwise free of charge and (in the case of damaged, defaced or worn out certificates) upon delivery to the Company of the old certificate.
- 12.8 If a shareholder has two or more share certificates for shares of the same class, he may request that a single new certificate be issued upon surrender and cancellation of the original certificates. The Company may charge the shareholder reasonable fees or expenses (including fees and expenses incurred by the Company's registrar from time to time) for such replacement.
- 12.9 A shareholder may surrender a share certificate for cancellation and request that it be replaced with two or more certificates for the same total number of shares. The Company may charge the shareholder reasonable fees or expenses (including fees and expenses incurred by the Company's registrar from time to time) for such replacement.
- 12.10 Any one joint shareholder can request replacement certificates under this Article.
- 12.11 Share certificates shall be executed under seal or made effective in such other way as the Board may decide, having regard to the terms of issue and any listing requirements. The Board may resolve, either generally or in any particular case or cases, that signatures on

any share certificates can be applied to the certificates by mechanical or other means or can be printed on them or that signatures are not required.

- 12.12 Every share certificate will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate which is lost or delayed in the course of delivery.

13. SUB-DIVISION, CONSOLIDATION AND FRACTIONAL ENTITLEMENTS

- 13.1 Any resolution authorising the Company to sub-divide any of its shares may provide that, as between the shares resulting from the sub-division, different rights (including deferred rights) and restrictions of a kind which the Company can apply to new shares can apply to different divided shares.

- 13.2 If any shares are consolidated, consolidated and then sub-divided or sub-divided, the Board may deal with any fractions of shares which result without regard to any entitlement of any shareholder to such fractions. For example, the Board may determine that fractions should be aggregated and sold or may deal with fractions in some other way. To the extent that any shares representing fractions are in uncertificated form, the Board may exercise its powers under Article 11.5 to transfer such shares or convert them into certificated shares. The buyer of any such shares shall not be bound to see to the application of the purchase monies nor shall his title to such shares be affected if the sale is irregular or invalid in any way.

14. COMPANY'S LIEN ON SHARES

- 14.1 The Company has a first and paramount lien on all partly paid shares for any money payable to the Company (whether presently or not) for or in respect of the shares. The Board may at any time agree (either generally or in a particular case) to waive or suspend any lien which has arisen.

- 14.2 The Company may sell, in such manner as the Board determines, any share on which the Company has a lien if:

- (a) the money owed by the shareholder is payable immediately;
- (b) the directors have given notice to the shareholder, stating the amount of money due, demanding payment of this sum and stating that the shareholders' shares may be sold if the money is not paid;
- (c) the notice has been served on the shareholder (or on any person who is entitled to the shares by transmission) in a manner determined by the Board; and
- (d) the money has not been paid within 14 clear days after the notice has been served.

- 14.3 To give effect to any sale under this Article, the Board may authorise any person to execute an instrument of transfer in respect of any certificated share sold. If the share is

uncertificated, the Board may exercise any of the Company's powers under Article 11.5 to effect the sale of the share.

- 14.4 The transferee of any shares sold by the Company under this Article 14 shall not be bound to ensure that his purchase moneys are transferred to the person whose shares have been sold, nor will his ownership of the shares be affected by any irregularity or invalidity in relation to the sale to him.
- 14.5 The proceeds of any sale under this Article 14 shall first be used to pay the Company's expenses associated with the sale. The remaining amount shall be applied in or towards satisfaction or discharge of the debt or liability in respect of which the lien existed so far as is payable at such date. Any balance remaining after such payment will (subject to delivery up of any original share certificate for cancellation) be paid to the former shareholder (or person entitled to the shares by transmission). The Company shall have an equivalent lien over these monies as it had over the shares immediately before they were sold, in respect of any amounts which remain unpaid.

15. CALLS ON SHARES

- 15.1 Subject to the terms of allotment and/or issue of shares, the Board may from time to time call on shareholders (or persons entitled to the shares by transmission) to pay any money which is unpaid on their shares (which may be nominal amount or share premium). The Board may:
- (a) make calls at any time and as often as they think fit;
 - (b) determine when and where the money is to be paid;
 - (c) require that a call be paid by instalments;
 - (d) revoke or postpone any call.
- 15.2 A shareholder who has received at least 14 clear days' notice giving details of the amount called and of the time and place for payment, must pay the call as required by the notice. A person remains liable jointly and severally with the successors in title to his shares to pay calls even after he has transferred the shares to which they relate.
- 15.3 A call is deemed to have been made at the time when the Board Resolution authorising the call was passed.
- 15.4 Joint shareholders are jointly and severally liable to pay any calls in respect of their shares.
- 15.5 If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day on which it becomes due and payable up to and including the day on which it is paid. The annual rate of interest shall be determined by the Board and shall not exceed the Base Rate by more than five per cent. or any maximum rate set by the Legislation. The person from whom the call is due shall also be liable to pay all

expenses incurred by the Company as a result of the non-payment. The Board may waive payment of any or all of such interest or expenses at its discretion.

- 15.6 An amount payable in respect of a share (whether in respect of nominal amount or premium) on allotment or at any date fixed by or in accordance with the terms of issue of the share shall be deemed to be a call duly made and notified and payable on the date which, in accordance with the terms of issue, such amount becomes payable. If such amount is not paid in full, the provisions of this Article 15 shall apply as if such unpaid amount had become payable by virtue of a call duly made and notified.
- 15.7 The Board may, on or before an issue of shares, differentiate between the allottees or shareholders as to the amount of calls to be paid and the times of payment.
- 15.8 The Board may accept payment in advance of some or all of the amounts uncalled and unpaid on a share from the shareholder a call is made in respect of such amounts. Such payment in advance of calls shall extinguish the liability on the share in respect of which it is made to the extent of the payment. The shareholder shall not be entitled to participate in any dividend or other distribution by virtue of such advance payment.
- 15.9 The Company may pay interest on money paid in advance until it would otherwise be due to the Company. The interest rate shall be agreed between the Company and the shareholder but may not (without the consent of an ordinary resolution) exceed (i) the Base Rate by more than five per cent. or (ii) any maximum rate set by the Legislation.

16. FORFEITURE OF SHARES

- 16.1 If a shareholder fails to pay a call or an instalment of a call when due, the Board may give notice to the shareholder requiring payment of the unpaid amount, together with any interest accrued and any expenses incurred by the Company as a result of the failure to pay.
- 16.2 The notice referred to in Article 16.1 must:
- (a) demand payment of the amount immediately payable, plus any interest and expenses;
 - (b) give a date, at least 14 clear days after the date of the notice, by when the total amount due must be paid;
 - (c) state where the payment must be made, and
 - (d) state that if the full amount demanded is not paid by the time and at the place stated, the Company can forfeit the shares on which the call or instalment is outstanding.
- 16.3 If the notice is not complied with, the shares it relates to can be forfeited by a Board Resolution at any time while any payment required by the notice remains outstanding. The forfeiture shall include all dividends and other sums payable in respect of the forfeited

shares which have not been paid before the forfeiture. The Board may accept the surrender of any share which would otherwise be forfeited, and in such case references in these Articles to forfeiture include such surrender.

- 16.4 When a share has been forfeited, notice of the forfeiture shall be sent to the person whose share has been forfeited and, in the case of certificated shares, an entry shall be made in the register stating that the share has been forfeited. Any failure to give such a notice or make such an entry shall not affect the validity of the forfeiture.
- 16.5 Subject to the Legislation, a forfeited share shall be the property of the Company and the Board may sell, re-allot or otherwise dispose of it, to either the person who was prior to the forfeiture the holder of the share or to any other person, on any terms and in any way that it shall determine, and may be with, or without, a credit for any amount previously paid up for the share. Where the forfeited share is a certificated share, the Board may authorise any person to sign an instrument of transfer in respect of the share. Where the forfeited share is an uncertificated share, the Board may exercise any of the Company's powers under Article 11.5 to effect the transfer of the share. The Company may receive the consideration (if any) given for the share on its disposal and may register the transferee as the holder of the share.
- 16.6 At any time before the sale or disposal of a forfeited share, the Board may cancel the forfeiture on such terms as it may determine.
- 16.7 A person whose shares have been forfeited shall cease to have any rights as a shareholder in respect of those forfeited shares and shall, if the share is certificated, return the share certificate for the forfeited shares to the Company for cancellation. Notwithstanding the forfeiture, he shall remain liable to pay calls which have been made, but not paid, before the shares were forfeited, and all claims and demands which the Company could have made relating to the forfeited share, along with interest on these amounts at a rate determined by the Board but not exceeding the Base Rate by more than five per cent. He is not entitled to any credit for the value of the share when it was forfeited or for any consideration received on its disposal unless the Board decide to allow credit for all or any of that value.
- 16.8 A statutory declaration by a director or the secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it against any and all persons claiming to be entitled to the share. If such a declaration is delivered to a new holder of a share along with a completed transfer form (if one is required), this shall constitute good title to that share. The person to whom the share is transferred shall not be bound to see to the application of any purchase monies and his title to the share shall not be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale re-allotment or disposal of the share.

17. DISCLOSURE OF INTERESTS IN SHARES

- 17.1 The Company may send out a notice pursuant to section 793 of the Act or otherwise pursuant to the Legislation to any person (the "**Relevant Person**") it knows or has reasonable cause to believe has an interest in shares (a "**Statutory Notice**"), asking for details of those who have an interest and the extent of their interest in a particular holding of shares (the "**Identified Shares**"). If the Relevant Person does not respond within 14 days (or such longer period provided for response in the Statutory Notice), or if the Relevant Person knowingly or recklessly makes a statement in response to the Statutory Notice which is false in a material particular, then the Board may resolve to restrict the rights relating to the Identified Shares (and any further shares which shall be issued in respect of such shares).
- 17.2 If the Board resolves to restrict the rights relating to the Identified Shares, the Company shall send a further notice to the Relevant Person (a "**Restriction Notice**") stating that the Identified Shares no longer give the shareholder any right to attend or vote either personally or by proxy at a shareholders' meeting or to exercise any other right in relation to shareholders' meetings. The Restriction Notice will take effect when it is delivered.
- 17.3 Where the Identified Shares represent at least 0.25 per cent. (in amount or in number) of the shares of a class (excluding any shares of that class held as treasury shares) at the date of the Restriction Notice, the Restriction Notice may contain the following additional restrictions:
- (a) all or part of any dividend (including any shares issued in lieu of a dividend) or other monies which would otherwise be payable on the Identified Shares may be withheld by the Company without any liability to pay interest thereon;
 - (b) no transfer of any of the Identified Shares which are certificated shares may be registered unless the directors are satisfied that they have been sold outright to an independent third party, who must not be connected with the shareholder or with any person appearing to be interested in the Identified Shares.

Any sale through a recognised investment exchange or any other stock exchange outside the United Kingdom or by way of acceptance of a takeover offer will be treated as an outright sale to an independent third party for the purpose of paragraph (b) above. Any associate (as that term is defined in section 435 of the Insolvency Act 1986) is included in the class of persons who are connected with the shareholder or any person appearing to be interested in the Identified Shares.

- 17.4 In order to enforce the restriction in Article 17.3(b), the Board may (in the Restriction Notice or otherwise) give notice to the relevant shareholder:
- (a) to change Identified Shares which are in uncertificated form to certificated shares by the time stated in such notice; and
 - (b) that he may not change any of the Identified Shares which are in certificated form into uncertificated shares,

and if the shareholder does not comply with the notice, the Board may authorise any person to instruct the Operator to change any Identified Shares which are in uncertificated form to certificated shares.

- 17.5 The Board may cancel or exclude any Identified Shares from a Restriction Notice at any time, and must cancel or exclude the relevant Identified Shares from a Restriction Notice within seven days of:
- (a) the Board being satisfied that the Statutory Notice has been complied with;
 - (b) the relevant Identified Shares being sold where the directors are satisfied that they were sold outright to an independent third party.
- 17.6 If a Restriction Notice is cancelled or ceases to have effect in relation to any Identified Shares, any monies relating to those Identified Shares which were withheld will be paid to the person who would have been entitled to them or as he directs.
- 17.7 If a shareholder receives a Restriction Notice, he can request that the Company provides a written explanation of why the Restriction Notice was given, or why it has not been cancelled. The Company must respond within 14 days of receiving such a request.
- 17.8 If the Company gives a Statutory Notice to a person it has reasonable cause to believe has an interest in any of its shares, it will also give a copy at the same time to the person who holds the shares. If the Company does not do so or the holder does not receive the copy, this will not invalidate the Statutory Notice.
- 17.9 The provisions of this Article are in addition to and do not limit the powers of the Company under the provisions of the Legislation which apply to failures to comply with notices under the Legislation.

18. TRANSFER

- 18.1 Subject to any applicable restrictions in these Articles:
- (a) any shareholder can transfer some or all of his certificated shares by an instrument of transfer in the usual form or in any other form which the Board may approve; and
 - (b) any shareholder can transfer some or all of his uncertificated shares by means of CREST and in accordance with the uncertificated securities rules.
- 18.2 The transferor will continue to be treated as a the holder of a share until the name of the transferee is entered into the register in respect of that share.
- 18.3 An instrument of transfer for certificated shares must be signed or made effective in some other way by, or on behalf of, the transferor. If any of the shares being transferred are not fully paid, the instrument of transfer must also be signed or made effective in some other

way by, or on behalf of, the transferee. The original instrument of transfer shall be retained by the Company upon registration.

18.4 The Board may refuse to register the transfer of any certificated share where:

- (a) the share is not fully paid provided that, where the relevant class of shares has been admitted to the official list of the Financial Conduct Authority or to trading on the AIM market operated by the London Stock Exchange, the refusal does not prevent dealings in such shares from taking place on an open and proper basis;
- (b) the instrument of transfer is in respect of more than one class of share;
- (c) the number of joint holders to whom the share is to be transferred is more than four;
- (d) Article 17.3(b) applies;
- (e) the instrument of transfer has not been duly stamped to show payment of any applicable stamp duty or certified or otherwise shown to the satisfaction of the directors to be exempt from stamp duty, delivered to the Company's registered office, or any other place decided on by the directors, and accompanied by the share certificate relating to the shares being transferred (unless the transfer is being made by a person to whom the company was not required to, and did not send, a certificate); or
- (f) the Board has not received a satisfactory response to a reasonable request for evidence that the person wishing to transfer the share is entitled to do so and, if the instrument of transfer is signed by another person on behalf of the person making the transfer, evidence of the authority of that person to do so.

18.5 The Board may refuse to register the transfer of an uncertificated share:

- (a) where the number of joint holders to whom the share is to be transferred is more than four; or
- (b) in the circumstances set out in the uncertificated securities rules.

18.6 No fee is payable to the Company for registering any instrument of transfer or any other document relating to or affecting title to any share or for making any other entries in the statutory registers of the Company.

19. UNTRACED SHAREHOLDERS

19.1 The Company can sell any certificated shares at the best price reasonably obtainable at the time of the sale if:

- (a) during the 12 years before the earliest of the notices referred to in (b) below, the shares have been in issue in certificated or uncertificated form, at least three cash dividends (whether interim or final) have become payable on the shares, and no

such cash dividend has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds into a bank account designated by the holder of, or person entitled by law to, the shares or by transfer of funds by means of CREST, during that period;

- (b) after the 12 year period, the Company has published advertisements, stating that it intends to sell the shares. The advertisements must have appeared in a national newspaper and in a newspaper local to the last postal address held by the Company for serving notices relating to those shares;
 - (c) during the 12 year period and for three months after the last of the advertisements referred to in (b) above appear, the Company has not heard from the shareholder or any person entitled by law to the shares; and
 - (d) if the Company has any of its securities admitted to the Official List of the UK Listing Authority or admitted to trading on the AIM market operated by the London Stock Exchange, notice shall have been given to the UK Listing Authority and/or the London Stock Exchange (as the case may be) of its intention to make such sale.
- 19.2 The Company shall also be entitled to sell at the best price reasonably obtainable at the time of the sale any additional certificated shares in the Company issued in certificated or uncertificated form during the 12 year period referred to in Article 19.1 as a result of the rights attaching to any share to which Article 19.1 applies (or as a result of the rights attaching to any share so issued), if the criteria in Article 18.1 are satisfied in relation to the additional shares (provided that the 12 year period shall not apply to such shares)
- 19.3 To effect any transfer in accordance with this Article 19 the Board may appoint anyone to transfer the shares. This transfer will be just as effective as if it had been signed by the holder (or by a person who is entitled by law to the shares). The transferee will not be bound to see to the application of the purchase monies nor will his title to the shares be affected if the sale is irregular or invalid in any way.
- 19.4 The net proceeds of sale will belong to the Company, which must account to the former shareholder who could not be traced, or to the person who is entitled by law to his shares, if that person so requests unless and until forfeited under this Article.
- 19.5 After any sale pursuant to this Article, the Company must record the name of the former shareholder, or (if known) the person who would have been entitled by law to the shares, as a creditor for the net proceeds of the sale in its accounts. The Company will not be a trustee of the money and will not be liable to pay interest on it. The Company can use the money, and any money earned by using the money, for its business or in any other way that the Board may determine. If no valid claim for the money has been received by the Company during a period of six years from the date on which the relevant shares were sold by the Company under this Article 19, the money will be forfeited and will belong to the Company.

20. TRANSMISSION OF SHARES

- 20.1 When a sole shareholder or a shareholder who is the last survivor of joint shareholders dies, his personal representatives will be the only people who will be recognised by the Company as being entitled to his shares. If a joint shareholder dies, the surviving joint shareholder or shareholders will be the only people who will be recognised by the Company as being entitled to those shares. This Article does not discharge the estate of any deceased shareholder (whether sole or joint) from any liability in respect of that deceased shareholder's shares.
- 20.2 A person who becomes entitled by law to a share must provide any evidence of his entitlement which is reasonably required by the Board. In the case of certificated shares, the directors must note this entitlement in the register within two months of receiving such evidence.
- 20.3 Subject to these Articles, a person who becomes entitled by law to a share may either be registered as the shareholder himself or may nominate another person to become the shareholder. If he wants to be registered as a shareholder himself, he must give notice to the Company to that effect. This notice will be treated as a transfer form, and the provisions of these Articles relating transfers of certificated shares will apply to it.
- 20.4 If a person entitled by law to an uncertificated share wants to be registered as a shareholder, he must do so in accordance with the uncertificated securities rules, and the provisions of these Articles relating to transfers of uncertified shares will apply. The Board has the same power to refuse to register a person entitled by law to shares as they would have had to refuse to register a transfer by the person who was previously entitled to the shares.
- 20.5 If a person who is entitled by law to a certificated share wants the share to be transferred to another person, he must do this by signing a transfer form to the person he has nominated. The Board has the same power to refuse to register that nominee as they would have had to refuse to register a transfer by the person who was previously entitled to the shares.
- 20.6 If a person who is entitled by law to an uncertificated share wants the share to be transferred to another person, he must do this using CREST. The ability to refuse to register the person nominated will apply as it would have applied to refuse to register a transfer by the person who was previously entitled to the shares.
- 20.7 Where a person becomes entitled by law to a share, the rights of the registered shareholder in relation to that share will cease to have effect.
- 20.8 A person who is entitled by law to a share is entitled to any dividends or other money relating to that share, on supplying evidence reasonably required by the Board to show that he is entitled by law to the share. The Board may give written notice to the person saying that he must either be registered as the holder of the share or transfer the share to some other person. If he does not do this within 60 days of the notice, the Board may

withhold all dividends or other money relating to the share until the notice has been complied with.

20.9 Unless he is registered as a shareholder, the person entitled by law to a share is not entitled to:

- (a) receive notices of shareholders' meetings or attend or vote at these meetings; or
- (b) exercise any of the other rights of a shareholder in relation to these meetings, unless the Board determines otherwise.

21. GENERAL MEETINGS

General meetings and annual general meetings shall be called and held in accordance with the Legislation and these Articles.

22. NOTICE OF GENERAL MEETINGS

22.1 Every notice calling a meeting shall specify;

- (a) whether the meeting shall be a physical or electronic meeting or a hybrid meeting;
- (b) in the case of a physical meeting and/or a hybrid meeting the place, date and time of the meeting; and
- (c) in the case of an electronic and/or hybrid meeting, the date, time and electronic platform for the meeting, which electronic platform may vary from time to time and from meeting to meeting as the board, in its sole discretion, sees fit,

and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to a proxy or (if he has more than one share) proxies to exercise all or any of his rights to attend, speak and vote and that a proxy need not be a member of the Company. Such notice shall also include the address of the website on which the information required by the Act is published, state the procedures with which members must comply in order to be able to attend and vote at the meeting (including the date by which they must comply), provide details of any forms to be used for the appointment of a proxy and state that a member has the right to ask questions at the meeting in accordance with the Act.

22.2 The notice shall specify the general nature of the business to be transacted at the meeting and shall set out the text of all resolutions to be considered by the meeting and shall state in each case whether it is proposed as an ordinary resolution or as a special resolution.

22.3 In the case of an annual general meeting, the notice shall also specify the meeting as such.

22.4 For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes a person may cast, the Company may specify in the notice of meeting a time, not more than forty-eight (48) hours before the time fixed for the meeting (not taking

[into account non-working days\) by which a person must be entered in the Register in order to have the right to attend or vote at the meeting or appoint a proxy to do so.](#)

23. ~~22.~~ OMISSION OR NON-RECEIPT OF NOTICE

23.1 ~~22.1~~ If any notice, document, resolution or any information relating to any meeting or other proceeding where required by the Legislation or these Articles is accidentally not sent or supplied, or is not received (even if the Company becomes aware of such failure to send or supply or non-receipt), the meeting, resolution or other proceeding will not be invalid as a result.

23.2 ~~22.2~~ A shareholder present in person or by proxy at a shareholders' meeting is treated as having received proper notice of that meeting and, where necessary, of the purpose of that meeting.

24. ~~23.~~ POSTPONEMENT OF GENERAL MEETINGS

If the Board considers that it is impracticable or undesirable to hold a general meeting on the date or at the time or place stated in the notice calling the meeting, they can move and/or postpone the meeting. If the Board does this, an announcement of the date, time and place of the rearranged meeting will, if practicable, be published in at least two national newspapers in the United Kingdom. Notice of the business of the meeting does not need to be given again. The Board must take reasonable steps to ensure that any shareholder trying to attend the meeting at the original time and place is informed of the new arrangements. If a meeting is rearranged in this way, proxy forms are valid if they are received as required by these Articles not less than 48 hours before the time of the rearranged meeting. The Board may also move and/or postpone the rearranged meeting under this Article.

25. ~~24.~~ QUORUM

25.1 ~~24.1~~ Before a general meeting starts to do business, there must be a quorum present. Unless these Articles say otherwise, a quorum for all purposes is two people who are entitled to vote. They can be shareholders who are personally present or proxies for shareholders or a combination of both. If a quorum is not present, a chairman of the meeting can still be chosen and this will not be treated as part of the business of the meeting.

25.2 ~~24.2~~ If a quorum is not present within fifteen minutes of the time fixed for a general meeting to start or within any longer period (not exceeding one hour) which the chairman of the meeting can decide or if a quorum ceases to be present during a general meeting, then:

- (a) if the meeting was called by shareholders it will be cancelled. Any other meeting will be adjourned to a day (being not less than ten days later, excluding the day on which the meeting is adjourned and the day for which it is reconvened), time and place decided on by the chairman of the meeting; and

- (b) one shareholder present in person or by proxy and entitled to vote will constitute a quorum at any adjourned meeting and any notice of an adjourned meeting will say this.

26. ~~25.~~ CONDUCT OF GENERAL MEETINGS

26.1 ~~25.1~~ The Board may put in place arrangements, both before and during any general meeting, which it considers to be appropriate for the proper and orderly conduct of the general meeting and the safety of people attending it. This authority includes power to refuse entry to, or remove from meetings, people who fail to comply with the arrangements.

26.2 ~~25.2~~ The chairman of a meeting can take any action he considers appropriate for proper and orderly conduct at a general meeting. The chairman's decision on points of order, matters of procedure or on matters that arise incidentally from the business of a meeting is final, as is the chairman's decision on whether a point or matter is of this nature.

27. ~~26.~~ CHAIRMAN OF GENERAL MEETINGS

27.1 ~~26.1~~ The chairman of the Company from time to time will be the chairman of the meeting at every general meeting, if he is willing and able to take the chair.

27.2 ~~26.2~~ If the Company does not have a chairman, or if he is not willing and able to take the chair, any deputy chairman of the Company from time to time will chair the meeting if he is willing and able to take the chair. If more than one deputy chairman is present they will agree between themselves who will take the chair and if they cannot agree, the deputy chairman who has been a director longest will take the chair.

27.3 ~~26.3~~ If the Company does not have a chairman or a deputy chairman, or if neither the chairman nor a deputy chairman is willing and able to chair the meeting, after waiting five minutes from the time that a meeting is due to start, the directors who are present will choose one of themselves to act as chairman of the meeting. If there is only one director present, he will (if he is willing and able to take the chair) be the chairman of the meeting.

27.4 ~~26.4~~ If there is no director willing and able to be the chairman of the meeting, then the persons who are present at the meeting and entitled to vote will decide which one of them is to be the chairman of the meeting.

27.5 ~~26.5~~ Nothing in these Articles is intended to restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.

28. ~~27.~~ ENTITLEMENT TO ATTEND AND SPEAK

28.1 Each director can attend and speak at any general meeting of the Company. The chairman of a meeting can also allow anyone to attend and speak where he considers that this will help the business of the meeting.

28.2 The Board may resolve to enable persons entitled to attend a general meeting hosted on an electronic platform (such meeting being an electronic general meeting) to do so by

simultaneous attendance by electronic means with no member necessarily in physical attendance at the electronic general meeting. The members or their proxies present shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the general meeting is satisfied that adequate facilities are available throughout the electronic general meeting to ensure that members attending the electronic general meeting who are not present together at the same place may, by electronic means, attend and speak and vote at it.

28.3 Nothing in these Articles prevents a general meeting being held both physically and electronically.

29. ~~28.~~ ADJOURNMENTS

29.1 ~~28.1~~ The chairman of a meeting can adjourn the meeting before or after it has started, and whether or not a quorum is present, if he considers that:

- (a) there is not enough room for the number of shareholders and proxies who can and wish to attend the meeting,
- (b) the behaviour of anyone present prevents, or is likely to prevent, the business of the meeting being carried out in an orderly way, or
- (c) it is necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting (where facilities at a physical meeting place and/or an electronic platform appear to the chairman to have become inadequate for the purpose); or
- (d) ~~(e)~~ an adjournment is necessary for any other reason, so that the business of the meeting can be properly carried out.

The chairman of the meeting does not need the consent of the meeting to adjourn it for any of these reasons to a time, date and place which he decides. He can also adjourn the meeting to a later time on the same day or indefinitely. If a meeting is adjourned indefinitely the Board will fix the time, date and place of the adjourned meeting.

29.2 ~~28.2~~ The chairman of a meeting can also adjourn a meeting which has a quorum present if this is agreed by the meeting. This can be to a time, date and place proposed by the chairman of the meeting or the adjournment can be indefinite. The chairman of the meeting must adjourn the meeting if the meeting directs him to. In these circumstances the meeting will decide how long the adjournment will be and where it will adjourn to. If a meeting is adjourned indefinitely, the directors will fix the time, date and place of the adjourned meeting.

29.3 ~~28.3~~ A reconvened meeting can only deal with business that could have been dealt with at the meeting which was adjourned.

[29.4](#) ~~28.4~~ Meetings can be adjourned more than once.

[29.5](#) ~~28.5~~ If the continuation of an adjourned meeting is to take place three months or more after it was adjourned or if business is to be considered at an adjourned meeting the general nature of which was not stated in the notice of the original meeting, notice of the adjourned meeting must be given in the same way as was required for the original meeting. Except as provided in this Article, there is no need to give notice of the adjourned meeting or of the business to be considered there.

30. SECURITY ARRANGEMENTS AND ORDERLY CONDUCT

[30.1](#) The Board may direct that any person wishing to attend any meeting should provide such evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

[30.2](#) The Board and, at any electronic general meeting, the chairman may make any arrangement and impose any requirement or restriction as is:

(a) necessary to ensure the identification of those taking part and the security of the electronic communication; and

(b) proportionate to those objectives.

In this respect, the Company is able to authorise any voting application, system or facility for electronic general meetings as it sees fit.

[30.3](#) The chairman shall take such action or give directions as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and to ensure the security of the meeting and the safety of the people attending the meeting. The chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

31. OVERFLOW MEETING ROOMS

[31.1](#) The Board may, in accordance with this Article, make arrangements for members and proxies who are entitled to attend and participate in a general meeting, but who cannot be seated in the main meeting room where the chairman will be, to attend and take part in a general meeting in an overflow room or rooms. Any overflow room will have appropriate links to the main room and will enable audio-visual communication between the meeting rooms throughout the meeting. The Board will decide how to divide members and proxies between the main room and the overflow room. If an overflow room is used, the meeting will be treated as being held and taking place in the main meeting room and the meeting will consist of all the members and proxies who are attending both in the main meeting room and the overflow room.

31.2 Details of any arrangements for overflow rooms will be set out in the notice of the meeting but failure to do so will not invalidate the meeting.

32. SATELLITE MEETING PLACES

32.1 To facilitate the organisation and administration of any general meeting, the Board may decide that the meeting shall be held at two or more locations.

32.2 For the purposes of these Articles, any general meeting of the Company taking place at two or more locations shall be treated as taking place where the chairman of the meeting presides (the "**principal meeting place**") and any other location where that meeting takes place is referred in this Article as a "**satellite meeting**".

32.3 A member present in person or by proxy at a satellite meeting may be counted in the quorum and may exercise all rights that they would have been able to exercise if they were present at the principal meeting place.

32.4 The Board may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:

(a) ensure that all members and proxies for members wishing to attend the meeting can do so;

(b) ensure that all persons attending the meeting are able to participate in the business of the meeting and to see and hear anyone else addressing the meeting;

(c) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and

(d) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

32.5 The entitlement of any member or proxy to attend a satellite meeting shall be subject to any such arrangements then in force and stated by the notice of the meeting or adjourned meeting to apply to the meeting.

32.6 If there is a failure of communication equipment or any other failure in the arrangements for participation in the meeting at more than one place, the chairman may adjourn the meeting in accordance with Article 29. Such adjournment will not affect the validity of such meeting, or any business conducted at such meeting up to the point of adjournment, or any action taken pursuant to such meeting.

32.7 A person ("**satellite chairman**") appointed by the Board shall preside at each satellite meeting. Every satellite chairman shall carry out all requests made of him by the chairman of the meeting, may take such action as he thinks necessary to maintain the proper and orderly conduct of the satellite meeting and shall have all powers necessary or desirable for such purposes.

33. PROCEDURE WHERE GENERAL MEETINGS HELD AT MORE THAN ONE PLACE

33.1 The provisions of this Article shall apply if any general meeting is held at or adjourned to more than one place.

33.2 The notice of such a meeting or adjourned meeting shall specify the principal meeting place and the Directors shall make arrangements for simultaneous attendance and participation at the principal meeting place and at other satellite meetings by members, provided that persons attending at any particular place shall be able to see and hear and be seen and heard by means of audio visual links by persons attending the principal meeting place and at the other satellite meeting places at which the meeting is held.

33.3 The Directors may from time to time make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall in their absolute discretion consider appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any principal meeting place shall be entitled so to attend at one of the satellite meetings, and the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

33.4 For the purposes of all other provisions of these Articles, any such meeting shall be treated as being held at the principal meeting place.

33.5 If a meeting is adjourned to more than one place, not less than seven days' notice of the adjourned meeting shall be given despite any other provision of these Articles.

34. ~~29.~~ AMENDMENTS TO RESOLUTIONS

34.1 ~~29.1~~ Amendments can be proposed to any resolution at any time prior to such resolution being voted upon if they are clerical amendments or amendments to correct some other obvious error in the resolution. No other amendments can be proposed to any special resolution.

34.2 ~~29.2~~ Amendments to an ordinary resolution which are within the scope of the resolution can be proposed if:

- (a) notice of the proposed amendment has been received by the Company at its registered office at least two working days before the date of the meeting, or adjourned meeting, or
- (b) the chairman of the meeting decides that the amendment is appropriate for consideration by the meeting.

No other amendment can be proposed to an ordinary resolution. The chairman of the meeting can agree to the withdrawal of any proposed amendment before it is put to the vote.

[34.3](#) ~~29.3~~ If the chairman of a meeting rules that a proposed amendment to any resolution under consideration is out of order, any error in that ruling will not affect the validity of a vote on the original resolution.

[35.](#) ~~30.~~ **VOTING AND POLL VOTES**

[35.1](#) ~~30.1~~ Shareholders will be entitled to vote at a general meeting, whether on a show of hands or a poll, as provided in the Legislation. Where a proxy is given discretion as to how to vote on a show of hands this will be treated as an instruction by the relevant shareholder to vote in the way in which the proxy decides to exercise that discretion. This is subject to any special rights or restrictions as to voting which are given to any shares or upon which any shares may be held at the relevant time and to these Articles.

[35.2](#) ~~30.2~~ A resolution put to the vote at any general meeting will be decided on a show of hands unless a poll is demanded when, or before, the chairman of the meeting declares the result of the show of hands. Subject to the Legislation, a poll can be demanded by:

- (a) the chairman of the meeting,
- (b) at least five persons at the meeting who are entitled to vote,
- (c) one or more shareholders at the meeting who are entitled to vote (or their proxies) and who have between them at least ten per cent. of the total votes of all shareholders who have the right to vote at the meeting, or
- (d) one or more shareholders at the meeting who have shares which allow them to vote at the meeting (or their proxies) and on which the total amount which has been paid up is at least ten per cent. of the total sum paid up on all shares which give the right to vote at the meeting.

[35.3](#) ~~30.3~~ The chairman of the meeting can also demand a poll before a resolution is put to the vote on a show of hands. A demand for a poll can be withdrawn if the chairman of the meeting agrees to this. If no poll is demanded or a demand for a poll is withdrawn, any declaration by the chairman of the meeting of the result of a vote on that resolution by a show of hands will stand as conclusive evidence of the result without proof of the number or proportion of the votes recorded for or against the resolution.

[35.4](#) ~~30.4~~ If a poll is demanded in accordance with this Article, the chairman of the meeting can decide when, where and how it will be taken. This may include the use of ballot or voting papers, tickets or electronic voting systems, and/or the appointment of scrutineers. The result will be treated as the decision of the meeting at which the poll was demanded, even if the poll is taken after the meeting.

35.5 ~~30.5~~ If a poll is demanded on a vote to elect the chairman of the meeting, or to adjourn a meeting, it must be taken immediately at the meeting. Any other poll demanded can either be taken immediately or within 30 days from the date it was demanded and at a time and place decided on by the chairman of the meeting. It is not necessary to give notice for a poll which is not taken immediately provided that the time and place at which the poll is to be taken was announced at the meeting at which it was demanded.

35.6 ~~30.6~~ A demand for a poll on a particular matter (other than on the election of the chairman of the meeting or on the adjournment of the meeting) will not stop a meeting from continuing to deal with other matters.

36. ~~31.~~ VOTES OF JOINT HOLDERS

If more than one joint shareholder votes (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters on the register for the share.

37. ~~32.~~ VOTING ON BEHALF OF INCAPABLE MEMBER

This Article applies where a court or official claiming jurisdiction to protect people who are unable to manage their own affairs has made an order about the shareholder. The person appointed to act for that shareholder can vote for him, and can also exercise any other rights of the shareholder relating to meetings. This includes appointing a proxy, voting on a show of hands and voting on a poll. In order to exercise this right, the representative must provide such evidence of his authority to the Board as it may require, not later than the latest time at which proxy forms must be received to be valid for use at the relevant meeting or on the holding of the relevant poll.

38. ~~33.~~ NO RIGHT TO VOTE WHERE SUMS OVERDUE ON SHARES

Unless the Board otherwise determines, a shareholder cannot attend or vote at any general meeting or exercise any other right in relation to general meetings or polls if he has not paid all amounts relating to those shares which are due at the time of the meeting.

39. ~~34.~~ OBJECTIONS OR ERRORS IN VOTING

39.1 ~~34.1~~ If:

- (a) any objection to the right of any person to vote is made,
- (b) any votes have been counted which ought not to have been counted or which might have been rejected, or
- (c) any votes are not counted which ought to have been counted,

the objection or error must be raised or pointed out at the meeting (or the adjourned meeting) or poll at which the vote objected to is cast or at which the error occurs. Any objection or error must be raised with or pointed out to the chairman of the meeting. His

decision is final. If a vote is allowed at a meeting or poll, it is valid for all purposes and if a vote is not counted at a meeting or poll, this will not affect the decision of the meeting or poll.

[39.2](#) ~~34.2~~–The Company will not be obliged to check whether a proxy or representative of a corporation has voted in accordance with a shareholder's instructions and if a proxy or representative fails to do so, this will not affect the decision of the meeting (or adjourned meeting) or poll.

[40.](#) ~~35.~~–APPOINTMENT OF PROXIES

[40.1](#) ~~35.1~~–A proxy form must be in writing, signed by the shareholder appointing the proxy, or by his duly appointed attorney. Where the proxy is appointed by a company, the proxy form should either be sealed by that company or signed by someone authorised to sign it. If a shareholder appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of the member in a general meeting over more shares than are held by the member, then the Board may determine in its absolute discretion which of the proxies so appointed will be entitled to attend, speak or vote at the relevant general meeting.

[40.2](#) ~~35.2~~–A proxy appointment will cease to be valid 12 months from the date of its execution (or, if this cannot be determined by inspection, the date of its receipt by the Company), provided that (unless the proxy form expressly states otherwise) the proxy appointment shall be valid for an adjourned meeting or on a poll after a meeting or an adjourned meeting, if it was valid for the original meeting even if the adjourned meeting or poll after a meeting or adjourned meeting occurs after the end of the 12 month period of validity.

[40.3](#) ~~35.3~~–In relation to any shares in uncertificated form, the Directors may permit a proxy to be appointed by electronic means or by means of a website in the form of an Uncertificated Proxy Instruction and may permit any supplement to, or amendment or revocation of, any Uncertificated Proxy Instruction to be made by a further Uncertificated Proxy Instruction. The Directors may prescribe the method of determining the time at which any Uncertificated Proxy Instruction is to be treated as received by the Company and may treat any Uncertificated Proxy Instruction purporting or expressed to be sent on behalf of a shareholder as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that shareholder.

[40.4](#) ~~35.4~~–A proxy form gives the proxy the authority to exercise all of the appointing shareholder's rights to attend, speak and vote at any general meeting of the Company to which the proxy appointment relates, including the right to demand a poll or to join others in demanding a poll and to vote on any amendment to a resolution put to, or any other business which may properly come before, the meeting. Unless it says otherwise, a proxy form is valid for the meeting to which it relates and also for any adjournment of that meeting.

41. ~~36.~~ RECEIPT OF PROXIES

41.1 ~~36.1~~ Proxy forms which are in hard copy form must be received at the Company's registered office, or at any other place specified by the Company for the receipt of appointments of proxy in hard copy form:

- (a) 48 hours (or such shorter time as the directors decide) before a meeting or an adjourned meeting,
- (b) 24 hours (or such shorter time as the directors decide) before a poll is taken, if the poll is taken more than 48 hours after it was demanded, or
- (c) before the end of the meeting at which the poll was demanded (or at such later time as the directors decide), if the poll is taken after the end of the meeting or adjourned meeting but not more than 48 hours after it was demanded.

If such a proxy form is signed by an attorney, the power of attorney or other authority relied on to sign it (or a copy which has been certified by a solicitor or notary or in some other way approved by the Board) must, if requested by the Board, be received with the proxy form.

41.2 ~~36.2~~ Proxy forms which are in electronic form must be received at the address specified by the Company for the receipt of such electronic proxy forms at least:

- (a) 48 hours (or such shorter time as the directors decide) before a meeting or an adjourned meeting,
- (b) 24 hours (or such shorter time as the directors decide) before a poll is taken, if the poll is taken more than 48 hours after it was demanded, or
- (c) before the end of the meeting at which the poll was demanded (or at such later time as the directors decide), if the poll is taken after the end of the meeting or adjourned meeting but not more than 48 hours after it was demanded.

If an electronic proxy form or Uncertificated Proxy Instruction is signed or submitted by an attorney, the power of attorney or other authority relied on to sign it (or a copy which has been certified by a solicitor or notary or in some other way approved by the Board) must be received at the Company's registered office or at any other place specified by the Company for the receipt of such documents by the relevant time set out in paragraph (a) or (b) or (c) above, as applicable.

41.3 ~~36.3~~ If the above requirements are not complied with, the proxy will not be able to act for the person who appointed him.

41.4 ~~36.4~~ If more than one valid proxy form is received in respect of the same share for use at the same meeting or poll, the one which is received last (regardless of its date or the date on which it is signed) will be treated as the valid form. If it is not possible to determine the

order of receipt, none of the forms will be treated as valid unless the Board determines otherwise in its absolute discretion.

[41.5](#) ~~36.5~~ A shareholder can attend and vote at a general meeting or on a poll even if he has appointed a proxy to attend and vote on his behalf at that meeting or on that poll.

[41.6](#) ~~36.6~~ The proceedings at a general meeting will not be invalidated where an appointment of a proxy in respect of that meeting is sent in electronic form as provided in these Articles, but because of a technical problem it cannot be read by the recipient.

[41.7](#) ~~36.7~~ When calculating the periods mentioned in this Article the Board may decide not to take account of any part of a day that is not a working day.

[42.](#) ~~37.~~ CANCELLATION OF PROXY'S AUTHORITY

[42.1](#) ~~37.1~~ Any exercise by a proxy of the appointing shareholder's rights in accordance with the terms of the proxy form will be valid even if:

- (a) the person who appointed the proxy has died or is or has become of unsound mind;
- (b) the proxy form has been revoked, or
- (c) the authority of the person who signed the proxy form on behalf of the shareholder has been revoked.

Any vote cast or poll demanded by a company representative will also be valid even if his authority has been revoked.

[42.2](#) ~~37.2~~ Article ~~42.1~~[42.1](#) shall apply not apply and the actions of the proxy shall not be valid if written notice of the relevant fact has been received at the Company's registered office (or at any other place specified by the Company for the receipt of proxy forms) not later than the last time at which a proxy form should have been received to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll taken.

[43.](#) ~~38.~~ CLASS MEETINGS

If a class meeting is called otherwise than for changing or abrogating the rights of the shares of that class, the provisions of these Articles relating to general meetings will apply to such a meeting with any necessary changes. A general meeting where ordinary shareholders are the only shareholders who can attend and vote in their capacity as shareholders will also constitute a class meeting of the holders of the ordinary shares.

[44.](#) ~~39.~~ DIRECTORS

[44.1](#) ~~39.1~~ Unless otherwise determined by the Company by ordinary resolution, the number of directors (other than any alternate directors) shall not be less than two but shall not be subject to any maximum.

[44.2](#) ~~39.2~~ The directors are not required to hold any shares.

[44.3](#) ~~39.3~~ The directors can continue to act even if one or more of them stops being a director. If the number of directors falls below the minimum which applies under these Articles (including any change to that minimum number approved by an ordinary resolution of shareholders), or the number fixed as the quorum for Board meetings, the remaining director(s) may by resolution in writing appoint further directors and convene general meetings to make up the shortfall.

[44.4](#) ~~39.4~~ If no director or directors are willing or able to act under this Article, any two shareholders (excluding any shareholder holding shares as treasury shares) can call a general meeting to appoint extra directors(s).

[45.](#) ~~40.~~ APPOINTMENT OF DIRECTORS

[45.1](#) ~~40.1~~ Subject to these Articles, a person may, if he is willing to act, be appointed as a director or re-appointed following retirement by an ordinary resolution.

[45.2](#) ~~40.2~~ Subject to these Articles, a person may, if he is willing to act, be appointed as a director, by a Board Resolution. Any director appointed in this way must retire from office at the first annual general meeting after his appointment. A director who retires in this way is then eligible for re-appointment.

[45.3](#) ~~40.3~~ The only people who can be appointed as directors at a general meeting are the following:

- (a) directors retiring at the meeting;
- (b) anyone recommended by the directors; and
- (c) anyone nominated by a shareholder in accordance with Article ~~46.3~~[46.3](#) below (provided that a shareholder may not nominate himself).

[45.4](#) ~~40.4~~ A shareholder nominating a person for appointment as a director must be entitled to vote at the relevant general meeting. He must also have delivered to the Company's registered office not less than seven nor more than 42 clear days before the day of the relevant general meeting:

- (a) a letter stating that he intends to nominate another person for appointment as a director; and
- (b) written confirmation from that person that he is willing to be appointed.

[46.](#) ~~41.~~ RETIREMENT AND REMOVAL OF DIRECTORS

[46.1](#) ~~41.1~~ At every annual general meeting the following directors shall retire from office (and may offer themselves for re-appointment by the shareholders):

- (a) any director who has been appointed by the directors since the last annual general meeting;

- (b) any director who held office at the time of the two preceding annual general meetings and who did not retire at either of them; and
- (c) any director who has been in office, other than as a director holding an executive position, for a continuous period of nine years or more at the date of the meeting.

[46.2](#) ~~41.2~~ In addition to any power to remove directors conferred by the Legislation, any director may be removed by special resolution.

[46.3](#) ~~41.3~~ A director retiring at a general meeting retires at the end of that meeting or (if earlier) when a resolution is passed to appoint another person in the director's place. Where a retiring director is re-appointed, he shall be regarded as having remained a director without any break.

[46.4](#) ~~41.4~~ Any director automatically stops being a director if:

- (a) he gives the Company a written notice of resignation;
- (b) he gives the Company a written notice in which he offers to resign and the Board decides to accept this offer;
- (c) he is or has been suffering from mental or physical ill health and the Board resolves to remove him from office;
- (d) he has missed all Board meetings (whether or not an alternate director appointed by him attends those meetings) for a continuous period of six months and the Board resolves to remove him from office;
- (e) a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally and the Board resolves to remove him from office;
- (f) he is prohibited from being a director under the Legislation; or
- (g) he ceases to be a director under the Legislation or he is removed from office under these Articles.

[46.5](#) ~~41.5~~ If a director stops being a director for any reason, he will also automatically cease to be a member of any committee or sub-committee of the directors.

[47.](#) ~~42.~~ ALTERNATE DIRECTORS

[47.1](#) ~~42.1~~ Any director can appoint any person (including another director) to act in his place (an "alternate director"). Any such appointment requires the approval of the Board, unless the appointee has previously been approved by the Board to act as an alternate director or the appointee is another director. A director appoints an alternate director by sending a signed written notice of appointment to the Company's registered office or ~~to~~ [an address specified by the Company for ~~such purpose~~ the purposes of communication by electronic means](#), or by tabling it at a Board meeting, or in such other way as the Board may approve.

[47.2](#) ~~42.2~~–A person's appointment as an alternate director automatically terminates on the happening of any event which, if he were a director, would cause him to vacate that office. It also automatically terminates if the alternate director resigns his office by written notice to the Company or if his appointor ceases to be a director (otherwise than by retirement and reappointment at the same meeting). A director can also remove his alternate director by a written notice sent to the Company's registered office or to an address specified by the Company for such purpose or tabled at a Board meeting.

[47.3](#) ~~42.3~~–An alternate director is [\(subject to his giving to the Company an address within the United Kingdom at which notices may be served on him \(and, if applicable, an address in relation to which electronic communications may be received by him\)\)](#) entitled to receive notice of Board meetings, and to attend and vote in place of his appointor at any meeting at which his appointor is not personally present, and generally at that meeting is entitled to perform all of the functions of his appointor as a director. The provisions of these Articles regulating any such meeting shall apply as if the alternate director were a director in place of his appointor. If the alternate director is himself a director, or he attends any meeting as an alternate director for more than one director, he can vote cumulatively for himself and/or for each director he represents but he cannot be counted more than once for the purposes of the quorum.

[47.4](#) ~~42.4~~–An alternate director's signature to any written Board Resolution is as effective as the signature of his appointor, unless the notice of his appointment provides to the contrary. This Article also applies to any meeting of a committee of the Board of which his appointor is a member.

[47.5](#) ~~42.5~~–Except as set out in this Article [47.4](#)~~7~~, an alternate director:

- (a) does not have power to act as a director;
- (b) is not deemed to be a director for the purposes of these Articles; and
- (c) is not deemed to be the agent of his appointor.

[47.6](#) ~~42.6~~–An alternate director is entitled to contract and be interested in and benefit from contracts, transactions or arrangements and to be repaid expenses and to be indemnified by the Company to the same extent as if he were a director. Alternate directors are not entitled to receive any remuneration from the Company as an alternate director, except for that part (if any) of the remuneration otherwise payable to his appointor as his appointor may instruct the Company in writing to pay to his alternate director.

[48.](#) ~~43.~~ EXECUTIVE DIRECTORS

[48.1](#) ~~43.1~~–The Board or any duly authorised committee of the Board may appoint one or more directors to any executive position, on such terms and for such period as they think fit, and may terminate or vary an appointment at any time. The Board or any duly authorised committee of the Board may determine how much remuneration a director appointed to an executive office will receive (whether as salary, commission, profit share or any other form of remuneration) and whether this is in addition to or in place of his fees as a director.

[48.2](#) ~~43.2~~ If the Board (or a duly authorised committee) terminates an executive appointment, such termination will not affect any right of the Company or the director in relation to any breach of any employment contract which may be involved in the termination.

[49.](#) ~~44.~~ FEES, REMUNERATION AND EXPENSES OF DIRECTORS

[49.1](#) ~~44.1~~ The total fees paid to all of the directors (excluding any payments made under any other provision of these Articles) must not exceed:

- (a) £2,000,000 a year; or
- (b) any higher sum decided on by an ordinary resolution at a general meeting.

[49.2](#) ~~44.2~~ The Board or any duly authorised committee may award additional fees to any director who, in their view, performs any special or extra services for the Company. Extra fees can take the form of salary, commission, profit-sharing or other benefits (and can be paid partly in one way and partly in another) as determined by the Board or any duly authorised committee.

[49.3](#) ~~44.3~~ The Company may pay the reasonable travel, hotel and incidental expenses of each director incurred in attending and returning from general meetings, Board or Board committee meetings or any other meetings which as a director he is entitled to attend. The Company may pay all other expenses properly and reasonably incurred by each director in connection with the Company's business or in the performance of his duties as a director. The Company may also fund a director's or former director's expenditure and that of a director or former director of any holding company of the Company for the purposes permitted by the Legislation, and may take any action to enable a director (or former director or a director or former director of any holding company of the Company) to avoid incurring such expenditure, in each case as provided in the Legislation.

[49.4](#) ~~44.4~~ The Board or any duly authorised committee may elect to provide pensions, annual payments or other benefits to any director or former director or any relation or dependant of, or person connected to, such a person. The Board or any duly authorised committee may also elect to contribute to a scheme or fund or to pay premiums to a third party for these purposes.

[49.5](#) ~~44.5~~ A director or former director will not be accountable to the Company or the shareholders for any benefit provided pursuant to this Article. Anyone receiving such a benefit will not be disqualified from being or becoming a director.

[50.](#) ~~45.~~ DIRECTORS' INTERESTS

Conflicts of interest requiring authorisation by directors

[50.1](#) ~~45.1~~ The Board may, subject to the quorum and voting requirements set out in this Article, authorise any matter which would otherwise involve a director breaching his duty under the legislation to avoid conflicts of interest (a "**Conflict**").

[50.2](#) ~~45.2~~ A director seeking authorisation in respect of a Conflict (the "**Relevant Director**") must inform the Board of the nature and extent of a Conflict as soon as possible. The director must provide the Board with sufficient details of the relevant matter to enable them to decide how to address the Conflict, together with any additional information requested by the Board.

[50.3](#) ~~45.3~~ Any director (including the Relevant Director) may propose that the Relevant Director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board under the provisions of these Articles save that:

- (a) the Relevant Director and any other director with a similar interest shall not count towards the quorum nor vote on a resolution giving such authority, and
- (b) the Relevant Director and any other director with a similar interest may, if the other directors so decide, be excluded from any Board meeting while the Conflict is under consideration.

[50.4](#) ~~45.4~~ Where the Board gives authority in relation to a Conflict or where any of the situations described in Article ~~50.6~~[50.6](#) applies in relation to a director (a "**Relevant Situation**"):

- (a) the Board may (i) require that the Relevant Director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at Board meetings or otherwise) related to the Conflict or the Relevant Situation, and (ii) impose upon the Relevant Director such other terms for the purpose of dealing with the Conflict or the Relevant Situation as they think fit;
- (b) the Relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict or the Relevant Situation;
- (c) the Board may provide that where the Relevant Director obtains (otherwise than through his position as a director) information that is confidential to a third party, the Relevant Director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- (d) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (e) the Board may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation or variation in accordance with the terms of such authority.

Other conflicts of interest

[50.5](#) ~~45.5~~ If a director is aware that he is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, he

must inform the Board of the nature and extent of that interest in accordance with the Legislation.

[50.6](#) ~~45.6~~ If a director has disclosed the nature and extent of his interest in accordance with Article ~~50.5~~[50.5](#), he may do any one or more of the following:

- (a) have any kind of interest in a contract with or involving the Company or another company in which the Company has an interest;
- (b) 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 and upon such terms, including as to remuneration, as the Board may decide;
- (c) alone, or through a firm with which he is associated do paid professional work for the Company or another company in which the Company has an interest (other than as auditor);
- (d) be or become a director or other officer of, or employed by or a party to a transaction or arrangement with, or otherwise be interested in any holding Company or subsidiary company of the Company or any other company in which the Company has an interest; and
- (e) be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his appointment as a director of that other company.

Benefits

[50.7](#) ~~45.7~~ A director is not required by reason of his office to hand over to the Company or the shareholders any benefit he receives or profit he makes as a result of anything authorised under Article ~~50.1~~[50.1](#) or allowed under Article ~~50.6~~[50.6](#) nor is any type of contract authorised under Article ~~50.1~~[50.1](#) or allowed under Article ~~50.6~~[50.6](#) liable to be avoided.

Quorum and voting requirements

[50.8](#) ~~45.8~~ Save as otherwise provided in these Articles, a director cannot vote or be counted in the quorum on a resolution of the directors relating to appointing that director to a position with the Company or a company in which the Company has an interest, or relating to the terms or the termination of that appointment.

[50.9](#) ~~45.9~~ Article ~~50.8~~[50.8](#) applies if the Board is considering proposals about appointing two or more directors to positions with the Company or any company in which the Company has an interest. It also applies if the Board is considering setting or changing the terms of their appointment. Separate resolutions can be put to the Board to deal with each director separately and, if this is done, each director can vote and be included in the quorum for each resolution, unless it concerns him or he is otherwise prevented from voting and counting towards the quorum for such resolution.

50.10 ~~45.10~~ Save as otherwise provided in these Articles, a director shall not vote or be counted in the quorum in relation to any Board Resolution concerning a contract or any other matter in which he has an interest and, if he does vote, his vote will not be counted, but this prohibition shall not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest or where that interest arises only from one or more of the following matters:

- (a) giving to him any guarantee, indemnity or security for money which he or any other person has lent or obligations he or any other person has undertaken at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) giving any guarantee, indemnity or security to another person for a debt or obligation which is owed by the Company or any of its subsidiary undertakings to that other person if the director has taken responsibility by giving a guarantee, indemnity or security for some or all of that debt or obligation;
- (c) giving to him any other indemnity where all other directors are also being offered indemnities on substantially the same terms;
- (d) the funding by the Company or its subsidiary undertakings of his expenditure on defending proceedings, or the Company doing something to enable him to avoid incurring such expenditure, where all other directors are being offered substantially the same arrangements;
- (e) an offer by the Company or any of its subsidiary undertakings of any shares or debentures or other securities for subscription or purchase if the director takes part because he is a holder of shares, debentures or other securities or if he takes part in the underwriting or sub-underwriting of the offer;
- (f) any contract in which he has an interest because of his interest in shares or debentures or other securities of the Company or because of any other interest in or through the Company;
- (g) any contract involving any other company if the director has an interest of any kind in that company (including an interest by holding any position in that company or by being a shareholder in that company but not including a Material Holding in that company);
- (h) any contract relating to a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which gives the director benefits which are also generally given to the employees to whom the fund or scheme relates;
- (i) any contract relating to an arrangement for the benefit of employees of the Company or of any of its subsidiary undertakings which only gives him benefits which are also generally given to the employees to whom the arrangement relates; and

- (j) any contract relating to any insurance which the Company can buy or renew for the benefit of directors or of a group of people which includes directors.

[50.11](#) ~~45.11~~ A director will be treated as having a "**Material Holding**" in a company if he holds an interest in shares representing one per cent. or more of a class of equity share capital (calculated exclusive of any shares of that class in that company held as treasury shares) or of the voting rights of that company. 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. Interests which are unknown to the director and which it is unreasonable to expect him to know about are ignored.

[50.12](#) ~~45.12~~ Where a company in which a director has a Material Holding is interested in a contract, the director will also be treated as being interested in that contract.

[50.13](#) ~~45.13~~ Subject to these Articles, the Board can exercise or arrange for the exercise of the voting rights attached to any shares in another company held by the Company and the voting rights which they have as directors of that company in any way that they decide. This includes voting in favour of a resolution appointing any of the directors of the Company as directors or officers of that company and deciding their remuneration. Subject to these Articles, they can also vote and be counted in the quorum as directors of the Company in connection with any of these things.

[50.14](#) ~~45.14~~ If a question arises at a Board meeting about whether a director (other than the chairman of the meeting) has an interest in a contract and whether it is likely to give rise to a Conflict or whether a director can vote or be counted in the quorum and the relevant director does not agree to abstain from voting on the issue or not to be counted in the quorum, the question must be referred to the chairman of the meeting. The chairman of the meeting's ruling about any other director is final and conclusive unless the nature or extent of the director's interest (so far as it is known to him) has not been fairly disclosed to the Board. If the question arises about the chairman of the meeting, the question shall be decided by a Board Resolution. The chairman of the meeting cannot vote on the question but can be counted in the quorum. The directors' resolution about the chairman of the meeting is conclusive, unless the nature or extent of the chairman's interest (so far as it is known to him) has not been fairly disclosed to the Board.

[50.15](#) ~~45.15~~ The Board may, subject to the Legislation, make such additional arrangements as they deem fit to deal with any actual or potential conflict of interest or duty of any director, and any director who conducts himself as permitted by such arrangements will not be in breach of any of his duties to the Company by reason of such conduct. Such arrangements may, in particular, permit a director to make a general disclosure to the Board of potential Conflicts which will be sufficient disclosure for the purposes of Article [50.250.2](#) and may permit the existence of any such potential Conflict which becomes an actual Conflict on such terms as the directors consider appropriate. Any proposal for the making of any such arrangements shall be effected in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of these Articles except that:

- (a) the relevant director and any other director with a similar interest will not count in the quorum and will not vote on a resolution approving such arrangements, and
- (b) the relevant director and any other director with a similar interest may, if the other directors so decide, be excluded from any meeting of the directors while the relevant proposal is under consideration.

General

50.16 ~~45.16~~ References in this Article to:

- (a) a contract include references to an existing or proposed contract and to an existing or proposed transaction or arrangement whether or not it is a contract, and
- (b) a Conflict or conflict of interest includes a conflict of interest and duty and a conflict of duties.

50.17 ~~45.17~~ The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract which has not been properly authorised in accordance with this Article.

51. ~~46.~~ **GENERAL POWERS OF COMPANY VESTED IN DIRECTORS**

51.1 ~~46.1~~ The business of the Company shall be managed by the Board. The Board may exercise all the Company's powers except where these Articles provide that powers can only be exercised by the Company at a general meeting. The general management powers given by this Article are not limited in any way by any specific powers given to the Board by these Articles.

51.2 ~~46.2~~ The powers of the Board shall be subject to:

- (a) the requirements of these Articles; and
- (b) any regulations made by a special resolution of the shareholders at a general meeting.

51.3 ~~46.3~~ If a change is made to these Articles or if the shareholders make any regulation relating to something which the Board has already done which was within their powers at the time that, at the time that thing was done that change or regulation cannot invalidate the Board's previous action.

52. ~~47.~~ **BORROWING POWERS**

52.1 ~~47.1~~ The Board may exercise all the Company's powers:

- (a) to borrow money;
- (b) to guarantee;

- (c) to indemnify;
- (d) to mortgage or charge all or any of the Company's undertaking, property and assets (present and future) and uncalled capital;
- (e) to issue debentures and other securities; and
- (f) to give security, either outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

[52.2](#) ~~47.2~~ The Board must limit the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to ensure (so far as they are able to ensure in respect of subsidiary undertakings) that no money is borrowed if the total amount of the Group's borrowings (excluding intra-Group borrowings) then exceeds, or would as a result of such borrowing exceed, an amount equal to £10,000,000. This limit can be exceeded if the consent of the shareholders has been given in advance by ordinary resolution.

[52.3](#) ~~47.3~~ For the purposes of this Article ~~52~~[52](#):

- (a) **"adjusted capital and reserves"** will be established by:
 - (i) adding (using the figures shown on the then latest audited balance sheet):
 - (A) the amount paid up or credited or deemed to be paid up on the Company's issued share capital (including any shares held as treasury shares); and
 - (B) the amount standing to the credit of the reserves of the Company (which include any share premium account, capital redemption reserve and retained earnings);
 - (ii) deducting any debit balance on retained earnings at the date of the audited balance sheet (if such a deduction has not already been made); and
 - (iii) making any adjustments needed to reflect any changes since the date of the audited balance sheet to the amount of paid up share capital or reserves;
- (b) the Group's borrowings shall include (unless these have already been included):
 - (i) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company beneficially owned otherwise than by a member of the Group;
 - (ii) the nominal amount of any other issued and paid up share capital and the principal amount of any debentures or borrowed moneys not beneficially owned by a member of the Group where a member of the Group has given a guarantee or indemnity for its redemption or repayment or where a

member of the Group may be required to buy such share capital, debenture or borrowed money;

- (iii) the amount outstanding under any acceptance credits opened for or in favour of any member of the Group;
 - (iv) the principal amount of any debenture (whether secured or unsecured) issued by any member of the Group which is not beneficially owned by any other member of the Group;
 - (v) any fixed or minimum premium payable on the final repayment of any borrowing or deemed borrowing; and
 - (vi) the minority proportion of moneys borrowed by a member of the Group and owing to a partly-owned subsidiary undertaking; and
- (c) the Group's borrowings shall not include:
- (i) amounts borrowed by any member of the Group to repay some or all of any other borrowings of any member of the Group (if the original debt is discharged within six months of the new borrowing);
 - (ii) amounts borrowed by any member of the Group to finance any contract where part of the price receivable by any member of the group is guaranteed or insured by the Export Credits Guarantee Department or any other similar government department or agency (but this exclusion will only apply up to an amount equal to the amount guaranteed or insured);
 - (iii) amounts borrowed by, or amounts secured on assets of, an undertaking which became a subsidiary undertaking of the company after the date of the last audited balance sheet (but this exclusion will only apply up to an amount equal to the amount of borrowing, or amounts secured on assets, of the undertaking at the time immediately after it became a subsidiary undertaking); or
 - (iv) the minority proportion of moneys borrowed by a partly-owned subsidiary undertaking which is not owing to another member of the Group.

52.4 ~~47.4~~ Any foreign currency amounts will be translated into sterling when calculating the borrowings of the Group. The exchange rate will be taken as:

- (a) the rate specified in any forward purchase contract, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with the repayment of those amounts; or
- (b) if no arrangement of a kind described in (a) above is in place, the spot rate in London which is recommended by a London clearing bank (chosen by the Board for this purpose) as the most appropriate rate for buying the relevant currency for

sterling on the relevant day. The exchange rate applied will be the exchange rate giving the lower figure of the exchange rate on:

- (i) the last business day before the date of the calculation; or
- (ii) the last business day six months before the date of the calculation.

52.5 ~~47.5~~ If the amount of adjusted capital and reserves is being calculated in connection with a transaction involving a company becoming or ceasing to be a member of the Group, the amount is to be calculated as if the transaction had already occurred.

52.6 ~~47.6~~ The audited balance sheet of the Company will be taken as the audited balance sheet of the Company prepared for the purposes of the Legislation. However, if an audited consolidated balance sheet relating to the Company and its subsidiary undertakings has been prepared for the same financial year, that audited consolidated balance sheet will be used instead. In that case, all references to reserves will be taken to be references to consolidated reserves.

52.7 ~~47.7~~ The Company may from time to time change the accounting convention applied in the preparation of the audited balance sheet, but any new convention applied must comply with the requirements of the Legislation. If the Company prepares a supplementary audited balance sheet applying a different convention from the main audited balance sheet, the main audited balance sheet will be taken as the audited balance sheet for the purposes of the calculations under this Article ~~52~~52.

52.8 ~~47.8~~ For the purposes of this Article ~~52~~52, a "**minority proportion**" means a proportion equal to the proportion of the issued share capital of a partly-owned subsidiary undertaking which does not belong to a member of the Group.

52.9 ~~47.9~~ A certificate or report by the Auditors:

- (a) as to the amount of the adjusted capital and reserves,
- (b) as to the amount of any borrowings; or
- (c) to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time,

will be conclusive evidence of that amount or that fact.

53. ~~48.~~ DELEGATION TO AGENTS

53.1 ~~48.1~~ The Board may, by power of attorney or otherwise, appoint any person or body corporate as the Company's attorney. Attorneys can either be appointed directly by the Board or the Board may authorise another person or body corporate to appoint attorneys. The Board (or other party authorised to appoint attorneys) may determine the purposes, powers, authorities and discretions of attorneys, provided that they cannot give an attorney any power, authority or discretion which the Board does not have under these Articles.

[53.2](#) ~~48.2~~ The Board (or other party authorised to appoint attorneys) may determine the duration of a power of attorney and attach any conditions to it. The power of attorney can include any provisions which the Board or such person determines for the protection and convenience of anybody dealing with the attorney. The power of attorney can allow the attorney to delegate any or all of his power, authority or discretion under the power of attorney to any other person.

[53.3](#) ~~48.3~~ The Board may, subject to such conditions as they determine:

- (a) delegate any of their authority, powers or discretions to any manager or agent of the Company;
- (b) allow managers or agents to delegate to another person;
- (c) remove any people they have appointed in any of these ways; and
- (d) cancel or change anything that they have delegated, provided that this will not affect anybody who deals with such persons in good faith who has not had any notice of any cancellation or change.

[53.4](#) ~~48.4~~ The ability of the Board to delegate under this Article ~~53~~[53](#) applies to all powers of the Board and is not limited because certain Articles refer to powers being exercised by the Board or by a committee authorised by the Board while other Articles do not.

[54.](#) ~~49.~~ DELEGATION TO INDIVIDUAL DIRECTORS

[54.1](#) ~~49.1~~ The Board may delegate any of its powers to any individual director (with power to sub-delegate). These powers can be given on terms and conditions decided on by the Board either in parallel with, or in place of, the powers of the Board.

[54.2](#) ~~49.2~~ The Board may change the basis on which such powers are given or withdraw such powers, provided that if a person deals with an individual director in good faith without knowledge of the change or withdrawal, he will not be affected by it.

[54.3](#) ~~49.3~~ The ability of the Board to delegate under this Article ~~54~~[54](#) applies to all powers of the Board and is not limited because certain Articles refer to powers being exercised by the Board or by a committee authorised by the Board while other Articles do not.

[55.](#) ~~50.~~ DELEGATION TO COMMITTEES

[55.1](#) ~~50.1~~ The Board may delegate any of its powers or discretions to committees of one or more persons. If the directors have delegated any power or discretion to a committee, any references in these Articles to using that power or discretion include its use by the committee. Any committee must comply with any regulations laid down by the Board. These regulations may require or allow people who are not directors to be members of the committee, and may give voting rights to such people, provided that:

- (a) there must be more directors on a committee than persons who are not directors, and
- (b) a resolution of the committee is only effective if a majority of the members of the committee present at the time of the resolution were directors.

55.2 ~~50.2~~ Unless the Board determines otherwise, any committee can sub-delegate any of its powers or discretions to sub-committees. Reference in these Articles to committees include sub-committees permitted under this Article.

55.3 ~~50.3~~ If a committee consists of more than one person, the Articles which regulate Board meetings and their procedure will also apply to committee meetings (if they can apply to committee meetings), unless these are inconsistent with any regulations for the committee which have been laid down under this Article.

55.4 ~~50.4~~ The ability of the Board to delegate under this Article applies to all powers of the Board and is not limited because certain Articles refer to powers and discretions being exercised by committees authorised by the Board while other Articles do not.

56. ~~51.~~ **REGISTERS**

Subject to the Legislation, the company may keep an overseas, local or other register in any place. The Board may make, amend and revoke any regulations previously made by them relating to the keeping of any such registers.

57. ~~52.~~ **PROVISION FOR EMPLOYEES**

The Board may exercise any powers given to the Company under the Legislation to make provision for the benefit of employees or former employees of the Company or any of its subsidiaries in connection with the cessation or transfer of the whole or part of the business of the Company or that subsidiary.

58. ~~53.~~ **BOARD MEETINGS**

58.1 ~~53.1~~ Subject to the Legislation and these Articles, the directors can decide when and where to have Board meetings and how they will be conducted. They can also adjourn their meetings. A Board meeting can be called by any director. The secretary must call a directors' meeting if asked to by a director.

58.2 ~~53.2~~ Board meetings are called by giving notice to all the directors. Notice is treated as properly given if it is given personally, by word of mouth or in writing (including in electronic form) at such address as he may from time to time specify for this purpose (or, if he does not specify an address, to his last known address). Any director can waive his entitlement to notice of any Board meeting, including one which has already taken place and any waiver after the meeting has taken place will not affect the validity of the meeting or any business conducted at the meeting.

- [58.3](#) ~~53.3~~ If no other quorum is fixed by the Board, two directors shall be a quorum for Board meetings. Subject to these Articles, if a director ceases to be a director at a Board meeting, he can continue to be present and to act as a director and be counted in the quorum until the end of the meeting if no other director objects and if otherwise a quorum of directors would not be present.
- [58.4](#) ~~53.4~~ A Board meeting at which a quorum is present can exercise all the powers and discretions of the directors.
- [58.5](#) ~~53.5~~ Matters to be decided at a Board meeting will be decided by a majority vote. If votes are equal, the chairman of the meeting has a second, casting vote.
- [58.6](#) ~~53.6~~ All or any of the directors can take part in a Board meeting by way of a conference telephone or any other communication equipment which allows everybody to take part in the meeting by being able to hear each of the other people at the meeting and by being able to speak to all of them at the same time. A person taking part in this way will be treated as being present at the meeting and will be entitled to vote and be counted in the quorum.
- [58.7](#) ~~53.7~~ The Board may appoint any one of their number as chairman or as deputy chairman and can remove him from that office at any time. If the chairman is at a Board meeting, he will chair it unless he is unwilling to do so. In his absence or unwillingness to take their chair, the chair will be taken by a deputy chairman, if one is present and willing to take the chair. If more than one deputy chairman is present, they will agree between them who should chair the meeting or, if they cannot agree, the deputy chairman longest in office as a director will take the chair. If there is no chairman or deputy chairman present within five minutes of the time when the Board meeting is due to start or if neither the chairman nor any deputy chairman is willing to take the chair, the directors who are present may appoint one of them to be the chairman of the meeting.
- [58.8](#) ~~53.8~~ References in these Articles to a deputy chairman include, if no one has been appointed with that title, a person appointed to a position with another title which the directors designate as equivalent to the position of deputy chairman.
- [58.9](#) ~~53.9~~ A resolution in writing must be signed or confirmed electronically by all of the directors who at the time are entitled to receive notice of a Board meeting and who would be entitled to vote on the resolution at a Board meeting, and who together meet the quorum requirement for Board meetings. A resolution in writing which satisfies these requirements is just as valid and effective as a resolution passed by those directors at a meeting which is properly called and held. ~~The~~ Such a resolution can be passed using counterparts if may consist of several documents or electronic communications in the same form each ~~copy is~~ signed or authenticated by one or more of the directors or members of the relevant committee.
- [58.10](#) ~~53.10~~ Everything which is done by any Board meeting, or by a committee of the Board, or by a person acting as a director, or as a member of a committee, will be valid even if it is discovered later that any director, or person acting as a director, was not properly appointed. This also applies if it is discovered later that anyone was disqualified from being

a director, or had ceased to be a director or was not entitled to vote. In any of these cases, anything done will be as valid as if there was no defect or irregularity of the kind referred to in this Article.

59. ~~54.~~ USE OF SEALS

59.1 ~~54.1~~ The Board shall arrange for safe keeping of every seal of the Company.

59.2 ~~54.2~~ A seal can only be used with the authority of the Board or a committee authorised by the Board.

59.3 ~~54.3~~ Subject as otherwise provided in these Articles, every document which is sealed using the common seal of the Company must be signed by one director and the secretary, or by two directors or by one director in the presence of a witness who attests the signature or by any other person or persons authorised by the Board.

59.4 ~~54.4~~ Any document to which the official seal is applied need not be signed, unless the Board determines or the Legislation requires otherwise.

59.5 ~~54.5~~ The Board may resolve that the requirement for any counter-signature in this Article can be dispensed with on any occasion.

60. ~~55.~~ DECLARATION AND PAYMENT OF DIVIDENDS

60.1 ~~55.1~~ Subject to the Legislation and the Articles, the Company may by ordinary resolution declare dividends in accordance with the rights of the shareholders, provided that no such dividend may exceed the amount recommended by the Board.

60.2 ~~55.2~~ If the Board considers that the financial position of the Company justifies such payments, it may:

- (a) pay the fixed or other dividends on any class of shares on the dates prescribed for the payment of those dividends; and
- (b) pay interim dividends on shares of any class of any amounts and on any dates and for any periods which they decide.

60.3 ~~55.3~~ If the Board acts in good faith, the directors will not be liable for any loss that any shareholders may suffer because a lawful dividend has been paid on other shares which rank equally with or behind their shares.

60.4 ~~55.4~~ Except as otherwise provided by these Articles or the rights attaching to or terms of issue of any shares:

- (a) all dividends will be declared and paid in proportions based on the amounts paid up on the shares during any period for which the dividend is paid, provided that sums which have been paid up in advance of calls will not count as paid up for this purpose;

- (b) 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, provided that if the terms of any share say that it will be entitled to a dividend as if it were a fully paid up, or partly paid up, share from a particular date (in the past or future), it will be entitled to a dividend on this basis; and
- (c) dividends may be declared and/or paid in any currency, with the basis of any conversion being determined by the Board.

[60.5](#) ~~55.5~~ If a shareholder owes the Company any money, for calls on shares or otherwise relating to his shares, the Board may deduct any of these sums from any dividend or other money payable to the shareholder on or in respect of any share held by him. Amounts deducted in this way can be used to pay amounts owed to the Company in respect of the shares.

[60.6](#) ~~55.6~~ Unless the rights attached to any shares, or the terms of any shares, say otherwise, no dividend or other sum payable by the Company on or in respect of its shares carries a right to interest from the Company.

[60.7](#) ~~55.7~~ Any dividend or other money payable in respect of a share can be paid:

- (a) in cash;
- (b) by sending a cheque, warrant or similar financial instrument payable to the shareholder who is entitled to it by post addressed to his registered address, or to someone else named in a written instruction from the shareholder (or all joint shareholders) and sent by post to the address specified in that instruction;
- (c) by inter-bank transfer or other electronic means (including payment through CREST) directly to an account with a bank or other financial institution (or other organisations operating deposit accounts if the Board so determines) in the United Kingdom named in a written instruction from the person entitled to receive the payment under this Article; or
- (d) in some other way requested in writing by the shareholder (or all joint shareholders) and agreed by the Board.

[60.8](#) ~~55.8~~ For joint shareholders or persons jointly entitled to shares by law, payment can be made to the shareholder whose name stands first in the register. The Company can rely on a receipt for a dividend or other money paid on shares from any one of them on behalf of all of them.

[60.9](#) ~~55.9~~ Cheques, warrants and similar financial instruments are sent, and payment in any other way is made, at the risk of the person who is entitled to the money. The Company is treated as having paid a dividend if the cheque, warrant or similar financial instrument is cleared or if a payment is made through CREST, bank transfer or other electronic means. The Company will not be responsible for a payment which is made in accordance with Article ~~60.7~~[60.7](#) and which is lost or delayed.

[60.10](#) ~~55.10~~ Dividends can be paid to a person who has become entitled by law to a share as if he were the holder of the share.

[61.](#) ~~56.~~ UNCLAIMED DIVIDENDS

[61.1](#) ~~56.1~~ The Company may cease making or sending dividend payments if:

- (a) for two consecutive dividends:
 - (i) the dividend payments sent through the post have been returned undelivered or remain uncashed during the period for which they are valid; or
 - (ii) the payments by any other method have failed, or
- (b) for any one dividend:
 - (i) the dividend payment sent through the post has been returned undelivered or remains uncashed during the period for which it is valid; or
 - (ii) the payment by any other method has failed,and reasonable enquiries have failed to establish any new postal address or account of the registered shareholder.

[61.2](#) ~~56.2~~ Subject to these Articles, the Company must recommence making or sending dividend payments if requested in writing by the shareholder or the person entitled by law to the share.

[61.3](#) ~~56.3~~ Where any dividends or other amounts payable on a share have not been claimed, the Board may invest them or use them in any other way for the Company's benefit until they are claimed. The Company will not be a trustee of the money and will not be liable to pay interest on it. If a dividend or other money has not been claimed for 12 years after being declared or becoming due for payment, it will be forfeited and belong to the Company unless the Board otherwise determines.

[62.](#) ~~57.~~ DIVIDENDS NOT IN CASH

[62.1](#) ~~57.1~~ If recommended by the Board, the Company by ordinary resolution direct that a dividend be paid (and the Board may determine that an interim dividend be paid) wholly or partly by distributing specific assets (and, in particular, paid up shares or debentures of any other company) and the Board shall give effect to such resolution. The Board may make any arrangements it thinks fit to settle any difficulty arising in connection with such a distribution, including without limitation:

- (a) authorising any person to sell and transfer any fractions;
- (b) ignoring any fractions;

- (c) valuing assets for distribution purposes;
- (d) paying cash of a similar value to adjust the rights of shareholders; and/or
- (e) vest any assets in trustees for the benefit of more than one shareholder.

[62.2](#) ~~57.2~~ The Board may, with the approval of an ordinary resolution, offer shareholders (excluding any shareholder holding shares as treasury shares) the right to choose to receive extra shares, which are credited as fully paid up, instead of some or all of their cash dividend. Such an offer may be made prior to but conditionally on the required ordinary resolution being passed.

[62.3](#) ~~57.3~~ If the Board makes an offer in accordance with Article ~~62.2~~[62.2](#):

- (a) the ordinary resolution can apply to some or all of a particular dividend or dividends, or to some or all of the dividends which may be declared or paid in a specified period (not ending later than the fifth anniversary of the date on which the ordinary resolution is passed);
- (b) the Board may also offer shareholders the right to request new shares instead of cash for all future dividends (if a share alternative is available), until they inform (or are treated as having informed) the Company that they no longer wish to receive new shares;
- (c) a shareholder will be entitled to a number of new shares whose total Relevant Value is as near as possible (but not greater than) to the cash dividend he would have received (disregarding any tax credit). The "**Relevant Value**" of a share (not being less than the nominal value of such shares) is:
 - (i) the average middle market quotation for the Company's shares as shown in the AIM Appendix to the London Stock Exchange Daily Official List (or any other publication of a recognised investment exchange showing quotations for the Company's shares) for five consecutive dealing days selected by the Board starting on or after the day when the shares are first quoted "ex" the relevant dividend; or
 - (ii) calculated in any other manner specified by or in accordance with the ordinary resolution,

provided that a certificate or report by the Auditors stating the Relevant Value of a share for any dividend will be conclusive evidence of that value;

- (d) after the Board has determined how many new shares ordinary shareholders will be entitled to, they can notify them in writing of their right to opt for new shares;
- (e) the notice referred to in (d) above, should also say how, where and when shareholders can elect to receive new shares. Where shareholders have opted to receive new shares in place of all future dividends, if new shares are available, the

Company will not need to notify them of a right to opt for new shares. No shareholders will receive a fraction of a share. The Board may determine how to deal with any fractions left over. For example, they can decide that the benefit of these fractions belongs to the Company, or that fractions are ignored, or deal with fractions in some other way;

- (f) if a notice informing any shareholders of their right to opt for new shares is accidentally not sent or supplied or is not received (even if the Company becomes aware of such failure to send or supply or non-receipt), the offer will not be invalid as a result nor give rise to any claim, suit or action;
- (g) the Board may exclude or restrict the right to opt for new shares or make any other arrangements as they may think fit to deal with:
 - (i) problems relating to laws of any territory; or
 - (ii) problems relating to the requirements of any recognised regulatory body or stock exchange in any territory,or where the Board considers that for any other reason the right should not be given;
- (h) if a shareholder has opted to receive new shares, no dividend on the shares for which he has opted to receive new shares (the "**elected shares**"), will be declared or payable. Instead, new ordinary shares will be allotted on the basis set out earlier in this Article. To do this, the Board will convert into capital the sum equal to the total amount of the new ordinary shares to be allotted. They will use this sum to pay up in full the appropriate number of new ordinary shares. These will then be allotted and distributed to the holders of the elected shares on the basis set out above. The sum to be converted into capital can be taken from:
 - (i) any amount which is then in any reserve or fund (including the share premium account, any capital redemption reserve and the profit and loss account or retained earnings); or
 - (ii) any other sum which is available to be distributed;
- (i) the Board can do anything it considers necessary to give effect to any conversion into capital referred to in paragraph (h);
- (j) the new ordinary shares will rank equally in all respects with the existing fully paid up ordinary shares at the time when the new ordinary shares are allotted, provided that they will not be entitled to share in the dividend from which they arose, or to have new shares instead of that dividend;
- (k) the Board may determine that new shares, at any time before new shares are allotted in place of such dividend, whether before or after shareholders have opted to receive new shares, will not be available in place of any cash dividend;

- (l) the Board may determine how any costs relating to making new shares available in place of a cash dividend will be met. For example, they can decide that an amount will be deducted from the entitlement of a shareholder under this Article;
- (m) unless the Board otherwise determines or the uncertificated securities rules require otherwise, any new ordinary shares which a shareholder has chosen to receive instead of some or all of his cash dividend will be:
 - (i) CREST shares if the corresponding elected shares were CREST shares on the record date for that dividend; and
 - (ii) certificated shares if the corresponding elected shares were certificated shares on the record date for that dividend;
- (n) the Board may not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised, and the Board has authority to allot sufficient shares to give effect to it after the basis of allotment is determined.

63. ~~58.~~ POWER TO CAPITALISE RESERVES AND FUNDS

63.1 ~~58.1~~ If recommended by the Board, the shareholders can pass an ordinary resolution to capitalise any sum:

- (a) which is part of any of the Company's reserves (including premiums received when any shares were issued, capital redemption reserves or other undistributable reserves); or
- (b) which the Company is holding as net profits.

63.2 ~~58.2~~ Unless the ordinary resolution referred to in Article ~~63.1~~63.1 states otherwise, the Board will use the sum which is capitalised by setting it aside for the ordinary shareholders on the register at the close of business on the day the resolution is passed (or another date stated in the resolution or fixed as stated in the resolution) and in the same proportions as the ordinary shareholders' entitlement to dividends (or in other proportions stated in the resolution or fixed as stated in the resolution). The sum set aside can be used:

- (a) to pay up some or all of any amount on any issued shares which has not already been called, or paid in advance, or
- (b) to pay up in full shares, debentures or other securities of the company which would then be allotted and distributed, credited as fully paid, to shareholders,

provided that a share premium account, a capital redemption reserve, or any reserve or fund representing unrealised profits, can only be used to pay up in full the Company's shares that are then to be allotted and distributed, credited as fully paid, to shareholders. Where the sum capitalised is used to pay up in full shares that are then to be allotted and distributed, credited as fully paid, to shareholders, the Company is also entitled to participate in the relevant distribution in relation to any shares of the relevant class held by

it as treasury shares and the proportionate entitlement of the relevant class of shareholders to the distribution will be calculated on this basis.

63.3 ~~58.3~~ The Board may appoint any person to sign a contract with the Company on behalf of those who are entitled to shares, debentures or other securities under the resolution. Such a contract is binding on all concerned.

64. ~~59.~~ SETTLEMENT OF DIFFICULTIES IN DISTRIBUTION

If any difficulty arises in connection with any distribution of any capitalised reserve or fund, the Board may resolve it in any way which it may determine. For example, it may deal with entitlements to fractions by deciding that the benefit of fractions belong to the company or that fractions are ignored or deal with fractions in some other way.

65. ~~60.~~ POWER TO CHOOSE ANY RECORD DATE

This Article applies to any dividend on any shares, or any distribution, allotment or issue to the holders of any shares. Subject to the Legislation and the rules of the London Stock Exchange, it can be paid or made to the registered holder or holders of the shares, or to anyone entitled in any other way, at a particular time on a particular day selected by the Board. It will be based on the number of shares registered at that time on that day, even if this is before any resolution to authorise what is being done was passed. This Article applies whether what is being done is the result of a resolution of the directors, or a resolution at a general meeting. The time and date can be before the dividend and so on is to be paid or made, or before any relevant resolution was passed.

66. ~~61.~~ INSPECTION OF RECORDS

66.1 ~~61.1~~ A shareholder is not entitled to inspect any of the Company's accounting records or other books or papers unless:

- (a) the Legislation or a proper court order gives him that right;
- (b) the Board authorises him to do so; or
- (c) the shareholders authorise him to do so by ordinary resolution.

67. ~~62.~~ METHOD OF SERVICE

67.1 ~~62.1~~ The Company can send or supply any notice, document, including a share certificate, or other information to a shareholder:

- (a) by delivering it to him personally;
- (b) by addressing it to him and posting it to, or leaving it at, the shareholder's registered address;
- (c) through CREST, where it relates to CREST shares;

- (d) as authorised in writing by the relevant shareholder;
- (e) where appropriate, by sending or supplying it in electronic form to an address notified by the relevant shareholder to the Company for that purpose; or
- (f) where appropriate, by making it available on a website and notifying the shareholder of its availability in accordance with this Article.

Where there are joint shareholders, the notice, document or other information can be sent or supplied to any one of the joint holders and will be treated as having been sent or supplied to all the joint holders.

[67.2](#) ~~62.2~~ Any shareholder or person nominated to receive notices, documents or information which the Company wishes or is required to communicate to shareholders, whose address in the register is not within the United Kingdom and who gives to the Company an address for the purposes of receipt of communications in electronic form may, at the absolute discretion of the Board, have notices served upon him at such address.

[67.3](#) ~~62.3~~ Where there are joint shareholders, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint shareholders. The agreement or specification of the senior will be accepted to the exclusion of the agreement or specification of the other joint shareholder(s). For this purpose, seniority will be determined by the order in which the joint shareholders' names stand in the register in respect of the joint shareholding.

[67.4](#) ~~62.4~~ If on three consecutive occasions any notice, document or other information sent or supplied to a shareholder or person nominated to receive such notice, document or other information, has been returned undelivered, the Company need not send or supply further notices, documents or other information to that shareholder or nominated person until he has communicated with the Company and supplied the Company (or its agents) with a new registered address, or a postal address for the service of notices and the despatch or supply of documents and other information, or has informed the Company of an address for the service of notices and the sending or supply of documents and other information in electronic form. Any notice, document or other information sent by post will be treated as returned undelivered if the notice, document or other information is sent back to the Company (or its agents), and any notice, document or other information sent or supplied in electronic form will be treated as returned undelivered if the Company (or its agents) receives notification that the notice, document or other information was not delivered to the address to which it was sent.

[67.5](#) ~~62.5~~ The Company may at any time and in its sole discretion choose:

- (a) to serve, send or supply notices, documents or other information in hard copy form alone to some or all shareholders; and
- (b) not to serve, send or supply a notice, document or other information to a particular shareholder where it considers this necessary or appropriate to deal with legal, regulatory or practical problems in, or under the laws of, any territory.

[67.6](#) ~~62.6~~ For a shareholder registered on a branch register, notices, documents or other information can be posted or despatched in the United Kingdom or in the country where the branch register is kept.

[68.](#) ~~63.~~ RECORD DATE FOR SERVICE

Where the Company sends or supplies notices, documents or other information to shareholders, it can do so by reference to the shareholders' register as it stands at any time not more than 15 days before the date the notice, document or other information is sent or supplied. Any change of details on the register after that time will not invalidate the sending or supply and the company is not obliged to send or supply the same notice, document or other information to any person entered on the shareholders' register after the date selected by the Company.

[69.](#) ~~64.~~ SERVICE OF NOTICES ON PERSONS ENTITLED BY TRANSMISSION

[69.1](#) ~~64.1~~ This Article applies where a shareholder has died or become bankrupt or is in liquidation, or where someone else has otherwise become entitled by law to that shareholder's shares, but is still registered as a shareholder. It applies whether he is registered as a sole or joint shareholder.

[69.2](#) ~~64.2~~ A person who is entitled to that shareholder's shares by law, and who proves this to the reasonable satisfaction of the Board, can give the Company a postal address for the sending or supply of notices, documents and other information and/or an address for the purposes of communications by electronic means. If this is done, the Company can send notices, documents and other information or, where applicable, a notification about the availability of the notice, document or other information on a website, to that address.

[69.3](#) ~~64.3~~ Otherwise, if any notice, document or other information is sent or supplied to the shareholder named on the register, this will be valid despite his death, bankruptcy or liquidation or the fact that any other event giving rise to an entitlement to the shares by law has occurred. This applies even if the Company knew about these things. If any notice, document or other information is sent or supplied in accordance with this Article, there is no need to send or supply it to any other people who may be involved.

[69.4](#) ~~64.4~~ The Company may at any time and in its sole discretion choose to serve, send or supply notices, documents or other information in hard copy form alone to some or all persons who are entitled to a shareholder's shares by law and may also in its sole discretion, where it considers necessary or appropriate to deal with legal, regulatory or practical problems in, or under the laws of, any territory, determine not to serve, send or supply a particular notice, document or other information to any particular such person.

[70.](#) ~~65.~~ DEEMED DELIVERY

[70.1](#) ~~65.1~~ If any notice, document or other information is given, sent or supplied by the Company by post, it is treated as being received the day after it was posted if first class post was used or 48 hours after it was posted if first class post was not used. In proving that any notice, document or other information was given, sent or supplied, it is sufficient to show

that the envelope was properly addressed and put into the postal system with postage paid.

[70.2](#) ~~65.2~~ If any notice, document or other information is left by the Company at a shareholder's registered address or at a postal address notified to the Company in accordance with these Articles by a shareholder or a person who is entitled to a share by law, it is treated as being received on the day it was left.

[70.3](#) ~~65.3~~ If a notice is sent through CREST, it is treated as being received when the Company, or any CREST participant acting for the Company, sends the issuer-instruction relating to the notice, document or other information.

[70.4](#) ~~65.4~~ If any notice, document or other information is given, sent or supplied by the Company using electronic means, it is treated as being received on the day it was sent even if the Company subsequently sends a hard copy of such notice, document or other information by post. In the case of any notice, document or other information made available on a website, the notice, document or other information is treated as being received on the day on which the notice, document or other information was first made available on the website, or, if later, when a notice of availability is received or treated as being received by the shareholder in accordance with these Articles. In proving that any notice, document or other information was given, sent or supplied by electronic means, it is sufficient to show that it was properly addressed.

[70.5](#) ~~65.5~~ Any notice, document or information which is given, sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was on the website).

[70.6](#) ~~65.6~~ If any notice, document or other information is given, sent or supplied by the Company by any other means authorised in writing by a shareholder, it is treated as being received when the company has done what it was authorised to do by that shareholder.

[71.](#) ~~66.~~ NOTICE WHEN POST NOT AVAILABLE

If the postal service in the United Kingdom or some part of the United Kingdom is suspended or restricted, the Board only need to give notice of a meeting to shareholders with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company must also publish the notice in at least one United Kingdom national newspaper and make it available on its website from the date of such publication until the conclusion of the meeting or any adjournment of the meeting. If it becomes generally possible to send or supply notices by post in hard copy form at least six clear days before the meeting, the Board will send or supply a copy of the notice by post to those who would otherwise receive it in hard copy form by way of confirmation.

[72.](#) ~~67.~~ PRESUMPTIONS WHERE DOCUMENTS DESTROYED

[72.1](#) ~~67.1~~ The Company can destroy or delete:

- (a) all transfer forms or Operator-instructions transferring shares, and documents sent to support a transfer, and any other documents which were the basis for making an entry by the company on the register, after six years from the date of registration;
- (b) all dividend and other payment instructions and notifications of a change of address or name, after two years from the date these were recorded;
- (c) all cancelled share certificates, after one year from the date they were cancelled; and
- (d) all proxy forms after one year from the date they were used if they were used for a poll, or after one month from the end of the meeting to which they relate if they were not used for a poll.

72.2 ~~67.2~~ If the Company destroys or deletes a document under this Article, it is conclusively treated as having been a valid and effective document in accordance with the company's records relating to the document. Any action of the Company in dealing with the document in accordance with its terms before it was destroyed or deleted is conclusively treated as having been properly taken.

72.3 ~~67.3~~ This Article only applies to documents which are destroyed or deleted in good faith and where the Company is not on notice of any claim to which the document may be relevant.

72.4 ~~67.4~~ If the documents relate to CREST shares, the Company must comply with any requirements of the uncertificated securities rules which limit its ability to destroy or delete these documents.

72.5 ~~67.5~~ This Article does not make the Company liable if:

- (a) it destroys or deletes a document earlier than the time limit referred to in Article ~~72.1~~72.1;
- (b) it does not comply with the conditions in Article ~~72.3~~72.3; or
- (c) the Company would not be liable if this Article did not exist.

72.6 ~~67.6~~ This Article applies whether a document is destroyed or deleted or disposed of in some other way.

73. ~~68.~~ INDEMNITY OF DIRECTORS AND OFFICERS

73.1 ~~68.1~~ As far as the Legislation permits, the Company:

- (a) can indemnify any director, secretary or other officer of the Company or of any associated company out of the assets of the Company against any liability for negligence, breach of duty or breach of trust in relation to the affairs of the Company; and

(b) can purchase and maintain insurance against any liability for any director, secretary or other officer of the Company or of any associated company.

[73.2](#) ~~68.2~~ A director, secretary or other officer of the Company or of any associated company will not be accountable to the Company or the shareholders for any benefit provided pursuant to this Article. Anyone receiving such a benefit will not be disqualified from being or becoming a director.

[73.3](#) ~~68.3~~ For the purposes of this Article ~~73~~[73](#), "**officer**" shall not include the Auditors, and "**associated company**" shall be interpreted in accordance with section 256 of the Act.

Summary report: Litera Compare for Word 11.0.0.61 Document comparison done on 09/12/2021 22:43:54	
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Intelligent Table Comparison: Active	
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Modified DMS: nd://4155-1084-9587/2/Cerillion plc - Articles of Association - 2022 AGM.docx	
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Delete	350
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Move To	0
Table Insert	0
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Table moves to	0
Table moves from	0
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Format changes	0
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