

THE COMPANIES ACTS 1985, 1989 AND 2006
PUBLIC COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

FORTH PORTS PUBLIC LIMITED COMPANY

(Adopted by Special Resolution passed on 1st May 2009)

PRELIMINARY

1.1 In these Articles the following words bear the following meanings save where otherwise specified or the context otherwise requires:

"the 1985 Act"	the Companies Act 1985;
"the 1989 Act"	the Companies Act 1989;
"the 2006 Act"	the Companies Act 2006;
"these Articles"	the articles of association of the Company as from time to time altered;
"auditors"	the auditors for the time being of the Company;
"clear days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given or on which it is to take effect and the day of the meeting;
"Company"	Forth Ports Public Limited Company;
"Directors"	the directors of the Company or those of such directors present at a duly convened meeting of the directors of the Company at which a quorum is present;
"executed"	any mode of execution;

"Group"	the Company and any subsidiary or subsidiary undertaking of the Company;
"holder" or "member"	in relation to shares, the person whose name is entered in the register of members as the holder of the shares;
"the London Stock Exchange"	London Stock Exchange plc or any successor to its functions;
"month"	calendar month;
"office"	the registered office of the Company for the time being;
"paid"	paid or credited as paid;
"register of members"	the register of members to be kept pursuant to section 113 of the 2006 Act;
"Seal"	means the common seal of the Company;
"Secretary"	any person appointed by the Directors to perform the duties of the Secretary of the Company, including (subject to the provisions of the Statutes) an assistant or deputy Secretary and where two or more persons are appointed to act as joint secretaries shall include any one of those persons;
"securities seal"	an official seal kept by the Company by virtue of section 50 of the 2006 Act;
"the Statutes"	the 1985 Act, the 1989 Act, the 2006 Act and every other statute for the time being in force concerning companies and affecting the Company;
"transfer office"	the place where the register of members is situate for the time being;
"year"	calendar year.

1.2 In these Articles:

- (a) save as aforesaid and unless otherwise specified or the context otherwise requires, words or expressions bear the same meaning as in the 1985 Act, the 1989 Act or the

2006 Act (the definitions in the 2006 Act to prevail where such definitions supersede or contradict those in the 1985 Act and/or the 1989 Act);

- (b) the expressions "recognised clearing house", "nominee of a recognised clearing house" and "recognised investment exchange" shall have the meaning given to them by section 778 of the 2006 Act;
- (c) the expression "the Company's bankers" means the Company's bankers or, if the Company engages more than one bank, the Company's principal bankers as may be selected by the Directors;
- (d) the expression "Managing Director" shall include "Group Chief Executive";
- (e) the expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder";
- (f) all such of the provisions of these Articles as are applicable to paid up shares shall apply to stock and the words "share" and "shareholder" shall be construed accordingly;
- (g) references to writing include references to typewriting, printing, lithography, photography and any other basis of representing or reproducing words in a legible and non transitory form;
- (h) a reference to any statute or provision of a statute includes a reference to any statutory modification or re enactment of it for the time being in force;
- (i) unless otherwise specified or the context otherwise requires
 - (i) words in the singular include the plural, and vice versa;
 - (ii) words importing any gender include all genders; and
 - (iii) a reference to a person includes a reference to a body corporate and to an unincorporated body of persons; and
- (j) the headings are inserted for convenience only and do not affect the construction of these Articles.

1.3 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.

2 The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended from time to time) shall not apply to the Company.

SHARE CAPITAL

- 3 The share capital of the Company is £58,000,000 divided into 116,000,000 Ordinary Shares of 50p each ("**Ordinary Shares**").
- 4.1 Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine).
- 4.2 Subject to the provisions of the Statutes, the Company may issue shares on the terms that they are, or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by these Articles save that the date on or by which, or dates between which, any such shares are to be or may be redeemed may be fixed by the Directors (and if so fixed the date or dates must be fixed before the shares are issued).
- 5 Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.
- 6 The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. Subject to the provisions of the Statutes, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
- 7 The Company shall be entitled, but shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition the Company shall not be bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purpose of this Article "**trust**" includes any right in respect of any shares of the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission thereof as are hereinafter mentioned.
- 8 The Directors may at any time after the allotment of any share but before any person has been entered in the register of members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

VARIATION OF RIGHTS

- 9 Subject to the provisions of the Statutes, if at any time the capital of the Company is divided into different classes of share, the rights attached to any class may be varied or abrogated, either while the Company is a going concern or during or in contemplation of a winding up:
- (a) in such manner (if any) as may be provided by those rights; or
 - (b) in the absence of any such provision, with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of that class

but not otherwise. To every such separate meeting the provisions of these Articles relating to general meetings shall apply, except that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons together holding or representing by proxy at least one third in nominal value of the issued shares of the class in question and at an adjourned meeting shall be one person holding shares of the class in question or his proxy. The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

- 10 Unless otherwise expressly provided by the rights attached to any shares those rights shall be deemed to be varied by the reduction of the capital paid up on those shares and by the creation or issue of further shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the first mentioned shares but shall not be deemed to be varied by the creation or issue of further shares ranking pari passu with them or subsequent to them.

ALTERATION OF CAPITAL

- 11 The Company may by Ordinary Resolution
- (a) increase its share capital by new shares of such amount as the resolution prescribes;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) sub divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association;
 - (d) determine that, as between the shares resulting from such a sub division, any of them may have any preference or advantage as compared with the others; and
 - (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

- 12 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Directors may on behalf of those members sell to any person (including, subject to the provisions of the Statutes, the Company) the shares representing the fractions for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion among those members, and the Directors may authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 13 Subject to the provisions of the Statutes, the Company may by Special Resolution reduce its share capital, any capital redemption reserve, share premium account or other undistributable reserve in any way.

PURCHASE OF OWN SHARES

- 14 Subject to the provisions of the Statutes, the Company may purchase its own shares, including redeemable shares, but not unless the purchase has been sanctioned by a Special Resolution passed at a separate meeting of the holders of any class of shares carrying rights to convert into equity share capital of the Company and may hold such shares as treasury shares.

SHARE CERTIFICATES

- 15.1 Every holder of shares (other than a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of whom the Company is not required by law to complete and have ready a certificate) shall be entitled without payment to a certificate for all the shares of each class held by him:
- (a) in the case of issue, within one month (or such longer period as the terms of issue shall provide) after allotment;
 - (b) in the case of a transfer of fully paid shares, within 14 days after lodgment of a transfer; or
 - (c) in the case of a transfer of partly paid shares, within two months after lodgment of a transfer;

or (upon payment of such reasonable charge (if any) for every certificate after the first as the Directors shall from time to time determine) to several certificates, each for one or more of his shares of any one class provided that the Company shall not be bound to register more than four persons as the joint holders of a share and, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate for each class of share so held and delivery of a certificate to one of such persons shall be deemed sufficient delivery to all. Every such certificate shall specify the number and class of shares, debentures or other securities to which it relates and the amount paid up thereon. No certificate shall be issued representing shares, debentures or other securities of more than one class.

- 15.2 Every certificate for shares, warrants, debentures or other securities of the Company and every certificate relating to a participation in an employees' share scheme shall (except to the extent

that the terms and conditions for the time being relating thereto otherwise provide) either (a) be issued under a securities seal or, in the case of shares on a branch register, an official seal for use in the relevant territory or (b) bear the signature of one Director or the Secretary or a person authorised to subscribe the certificate on behalf of the Company or (c) both, provided that the Directors may by resolution determine, either generally or in any particular case or cases, that any such signature shall be affixed by some method or system of mechanical signature.

15.3

- (a) Where a member transfers some only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
- (b) Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for all such shares issued in lieu at a reasonable charge.
- (c) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request at a reasonable charge.
- (d) If a share certificate shall be damaged, defaced, worn out, or alleged to have been lost, stolen or destroyed, it may be replaced by a new certificate on request subject to (in the case of damage, defacement or wearing out) delivery up of the certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions (if any) as to evidence and indemnity as the Directors think fit. Any such replacement certificate shall be issued without charge save that, in the case of alleged loss, theft or destruction, the person to whom a new certificate is issued shall pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity as aforesaid.
- (e) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

15.4 Nothing in these Articles shall require title to any securities of the Company to be evidenced or transferred by a written instrument, the regulations from time to time made under the Statutes so permitting. The Directors shall have power to implement any procedures as they may think fit and as may accord with the Statutes and any regulations made thereunder for the recording and transferring of title to securities and for the regulation of those procedures and the persons responsible for or involved in their operation.

15.5 Notwithstanding the terms of Article 15.1 to 15.4 above, where, in accordance with the terms of Article 15.6 hereof, any shares or other securities of the Company are issued, transferred, registered or otherwise dealt with in uncertificated form, any references in these Articles of Association requiring title to shares or other securities to be evidenced by or transferred by reference to share certificates or any other form of written instrument shall not apply and the holding, transfer, recording of title to and, registration of, uncertificated securities issued by the Company will be governed by reference to the provisions of Article 15.6 hereof.

15.6.1 In this Article:

- (a) "**The Regulations**" means the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) and includes (i) any enactment or subordinate legislation which amends or supersedes those Regulations and (ii) any applicable rules made under those Regulations or under any such enactment or subordinate legislation for the time being in force;
- (b) words and expressions used in this Article have the same meaning as in the Regulations in force on the date of the adoption of this Article; and
- (c) "**CREST**" means the relevant system operated by EuroClear UK & Ireland Limited in terms of the Regulations, which enables title to shares or other securities to be evidenced and transferred without a written instrument.

15.6.2 Nothing in these Articles shall preclude any share or other security of the Company from being issued, held, registered, converted, transferred or otherwise dealt with in uncertificated form in accordance with the Regulations and any rules or requirements laid down from time to time by CREST or any other relevant system operated pursuant to the Regulations.

15.6.3 In relation to any share or other security which is in uncertificated form, the Articles of Association shall have effect subject to the provisions of the Regulations and (so far as consistent with them) to the following provisions:-

- (a) the Company shall not be obliged to issue a certificate evidencing title to shares and all references to a certificate in respect of any shares or securities held in uncertificated form in these Articles of Association shall be deemed inapplicable to such shares or securities which are in uncertificated form and furthermore shall be interpreted as a reference to such form of evidence of title to uncertificated shares or securities as the Regulations prescribe or permit;
- (b) the registration of title to and transfer of any shares or securities in uncertificated form shall be effected in accordance with the Regulations and there shall be no requirement for a written instrument of transfer;
- (c) a properly authenticated dematerialised instruction given in accordance with the Regulations shall be given effect in accordance with the Regulations;
- (d) any communication required or permitted by these Articles to be given by a person to the Company may be given in accordance with and in any manner (whether or not in writing) prescribed or permitted by the Regulations; and
- (e) if a situation arises where any provision of these Articles of Association is inconsistent in any respect with the terms of the Regulations in relation to shares or securities of the Company which are in uncertificated form then;

- (i) the Regulations will be given effect thereto in accordance with their terms; and
- (ii) the Directors shall have power to implement any procedures they may think fit and as may accord with the Regulations for the recording and transferring of title to shares and securities in uncertificated form and for the regulation of those proceedings and the persons responsible for or involved in their operation.

- 15.6.4 The Directors shall have the specific powers to elect, without further consultation with the holders of any shares or securities of the Company (except where such shares or securities are constituted by virtue of some other deed, document or other source) that any single or all classes of shares and securities of the Company become capable of being traded in uncertificated form in accordance with the Regulations on CREST or any other operator of a relevant system.
- 15.6.5 The board of Directors may also, subject to compliance with the Regulations and the rules of any relevant system, determine at any time that title to any class of shares may from a date specified by the board of Directors no longer be evidenced otherwise than by a certificate or that title to such uncertificated shares shall cease to be transferred by means of any particular relevant system. For the avoidance of doubt, shares which are uncertificated shares shall not be treated as forming a class which is separate from certificated shares with the same rights.
- 15.6.6 Shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the Regulations and the rules of any relevant system.
- 15.6.7 Unless the board of Directors otherwise determines or the Regulations or the rules of the relevant system otherwise require, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.
- 15.7 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Regulations 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 shall accordingly not be liable in respect of any act done or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption, in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the register of members shall be construed to permit that action to be taken in reliance on information contained in the relevant record of securities (as so maintained and reconciled).

LIEN

- 16 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts (whether presently payable or not) payable at a fixed time or called in respect of that share. The Directors may declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all amounts payable in respect of it.

- 17 The Company may sell, in such manner as the Directors determine, any shares on which the Company has a lien if an amount in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the share, or the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 18 To give effect to the sale the Directors may authorise some person to execute an instrument of transfer of the share sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the share shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 19 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the amount for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the share sold and subject to a like lien for any amount not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale.

CALLS ON SHARES AND FORFEITURE

- 20 Subject to the terms of allotment, the Directors may make calls upon the members in respect of any amounts unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of an amount due under it, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 21 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 22 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.
- 23 If a call remains unpaid after it has become due and payable the person from whom it is due shall pay interest on the amount unpaid, from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the shares in question or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the 2006 Act) but the Directors may waive payment of the interest wholly or in part.
- 24 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid these Articles shall apply as if that sum has become due and payable by virtue of a call.
- 25 Subject to the terms of allotment, the Directors may differentiate between the holders in the amounts and times of payments of calls on their shares.

- 26 The Directors may receive from any member willing to advance it all or any part of the amount unpaid on the shares held by him (beyond the sums actually called up) as a payment in advance of calls, and such payment shall, to the extent of it, extinguish the liability on the shares in respect of which it is advanced. The Company may pay interest on the amount so received, or so much of it as exceeds the sums called up on the shares in respect of which it has been received, at such rate as the member and the Directors agree; but a payment in advance of a call shall not entitle the holder of the shares to participate in respect of the payment of a dividend declared or paid after the payment but before the call.
- 27 If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited. If the notice is not complied with, any shares in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and the forfeiture shall include all amounts (including dividends) payable in respect of the forfeited shares and not paid before the forfeiture.
- 28 Subject to the provisions of the Statutes, a forfeited share may be sold, re allotted or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture the holder or to any other person and, at any time before the disposition, the forfeiture may be cancelled on such terms as the Directors determine. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the Directors may authorise someone to execute an instrument of transfer of the share to that person.
- 29 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all amounts which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those amounts before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the 2006 Act) from the date of forfeiture until payment, but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 30 A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration together with the receipt of the Company for the consideration (if any) given for the share on the sale, re allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is sold, re allotted or disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale, re allotment or disposal of the share.

TRANSFER AND TRANSMISSION OF SHARES

- 31 Except as may be provided by any procedures implemented pursuant to Article 15.4, all transfers of shares shall be effected by instrument in writing in any usual form, or in any other

form which the Directors may approve, and shall be executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect thereof.

- 32 The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share which is not fully paid. They may also refuse to register a transfer of a share, whether or not fully paid, unless the instrument of transfer:
- (a) is lodged, duly stamped or adjudged or certified as not chargeable to stamp duty, at the transfer office or at such other place as the Directors may appoint and (except in the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or a recognised investment exchange where a certificate has not been issued in respect of the share) is accompanied by the certificate(s) for the share(s) to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
 - (b) is in respect of only one class of share; and
 - (c) is in favour of not more than four transferees jointly.
- 33 If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- 34 The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may determine.
- 35 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
- 36 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall (except in the case of fraud) be returned to the person lodging it when notice of the refusal is given.
- 37 If a member dies the survivor where he was a joint holder, or his personal representative where he was a sole holder or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his interest; but nothing in this Article shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
- 38 A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the Directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the

share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer signed by the member and the death or bankruptcy of the member had not occurred.

- 39 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as the Directors may properly require, have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any general meeting or at any separate meeting of the holders of any class of shares.
- 39A Nothing in these Articles of Association shall preclude the transfer of shares or other securities of the Company in uncertificated form in accordance with the terms of Article 15.6 hereof, and any references contained in these Articles in relation to the execution of any instrument of transfer or the registration of any transfer of shares or other securities of the Company in uncertificated form shall be read in accordance with the terms of Article 15.6 hereof.

UNTRACED MEMBERS

- 40.1 The Company shall be entitled to sell in such manner and for such price as the Directors think fit any share held by a member, or any share to which a person is entitled by transmission by death or bankruptcy or otherwise by operation of law, if:
- (a) for a period of 12 years before the giving of notice pursuant to sub paragraph (c) no cheque or warrant for amounts payable in respect of the share, sent and payable in a manner authorised by these Articles, has been cashed and no communication in respect of the share has been received by the Company from the member or person concerned;
 - (b) during that period at least three dividends in respect of the share have become payable;
 - (c) the Company has, after the expiration of that period, by advertisement in both a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area of the last known address to which cheques or warrants were sent, and by notice to the London Stock Exchange if shares of the class concerned are listed or dealt in on that exchange, given notice of its intention to sell such share; and
 - (d) the Company has not during the further period of three months after the date of the advertisement and prior to the sale of the share received any communication in respect of the share from the member or person concerned.
- 40.2 The Company shall also be entitled to sell, in the manner provided for in this Article, any share ("**additional share**") issued during the said period or periods of 12 years and 3 months in right of any share to which Article 40.1 applies or in right of any share issued during either of such periods, provided that the requirements of sub paragraphs (a) (but modified to exclude the words "for a period of 12 years before the giving of notice pursuant to sub paragraph (c)"), (c) (but modified to exclude the words "after the expiration of that period") and (d) of Article 40.1 are satisfied in respect of such additional share.

- 40.3 To give effect to the sale, the Directors may appoint any person to execute an instrument of transfer of the share, and the instrument shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the share and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The Company shall be indebted to the former member or other person previously entitled to the share for an amount equal to the net proceeds of the sale, but no trust shall be created and no interest shall be payable in respect of the proceeds of sale.

DESTRUCTION OF DOCUMENTS

- 41.1 The Company may destroy:
- (a) any instrument of transfer, at any time after six years from the date on which it is registered;
 - (b) any dividend mandate or notification of change of name or address, at any time after two years from the date on which it is recorded or the date on which it is revoked or cancelled;
 - (c) any share certificate which has been cancelled at any time after one year from the date of cancellation thereof; and
 - (d) any other documents on the basis of which any entry in the register of members has been made at any time after six years from the date of the first entry in the register of members in respect thereof.
- 41.2 References in this Article to the destruction of any document include references to the disposal of it in any manner.
- 41.3 It shall conclusively be presumed in favour of the Company that:
- (a) every entry in the register of members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
 - (b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
 - (c) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
 - (d) every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company,

provided always that the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant.

- 41.4 Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any document earlier than any of the above periods or in any other circumstances which would not attach to the Company in the absence of this Article.

STOCK

- 42 The Company may by Ordinary Resolution convert any paid up shares into stock and reconvert any stock into paid up shares of any denomination.
- 43 A holder of stock may transfer it or any part of it in the same manner, and subject to the same provisions of these Articles, as would have applied to the shares from which the stock arose if they had not been converted, or as near thereto as circumstances admit, but the Directors may fix the minimum amount of stock transferable at an amount not exceeding the nominal amount of any of the shares from which the stock arose.
- 44 A holder of stock shall, according to the amount of the stock held by him, have the same rights as if he held the shares from which the stock arose: provided that no such right (except participation in dividends and in the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right.

DISCLOSURE OF INTERESTS IN SHARES AND DISENFRANCHISEMENT

- 45.1 For the purposes of this Article 45:
- (a) a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a notice served under section 793 of the 2006 Act, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
 - (b) "**interested**" shall be construed as it is for the purpose of section 820 of the 2006 Act;
 - (c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes (i) reference to his having failed or refused to give all or any part of it and (ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
 - (d) "**the prescribed period**" means

- (i) in a case where the default shares represent at least 0.25 per cent in the nominal value of the issued shares of their class (excluding any shares of that class held as treasury shares), 14 days; and
 - (ii) in any other case, 28 days;
- (e) an "**approved transfer**" means, in relation to any shares held by a member
- (i) a transfer by way of or pursuant to acceptance of a take over offer for the Company (within the meaning of section 974 of the 2006 Act); or
 - (ii) a transfer in consequence of a sale made through a recognised investment exchange or any other stock exchange or market outside the United Kingdom on which the Company's shares are normally traded; or
 - (iii) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a bona fide sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

45.2 If a member, or any other person appearing to be interested in shares held by that member, has been given notice under section 793 of the 2006 Act and has failed in relation to any shares ("**the default shares**", which expression shall include any further shares which are allotted or issued in respect of such shares) to give the Company the information thereby required within the prescribed period from the date of the notice, then the Directors may, in their absolute discretion at any time thereafter, by notice (a "**direction notice**") to such member (which shall be conclusive against such member and its validity shall not be questioned by any person) direct, with effect from the service of the notice that:

- (a) the member shall not be entitled in respect of the default shares to attend or vote (either in person or by proxy or (if the member is a corporation) by authorised representative) at any general meeting or at any separate meeting of the holders of that class of shares or to exercise any other right conferred by membership in relation to any such meeting; and
- (b) where the default shares represent 0.25 per cent or more in nominal value of the issued shares of their class (excluding any shares of that class held as treasury shares)
 - (i) any sum payable whether in respect of capital or dividend or otherwise in respect of the shares shall, except on a winding up of the Company, be withheld by the Company which shall not have any obligation to pay interest on it when it is finally paid to the member and the member shall not be entitled to elect, pursuant to Article 130 below, to receive shares instead of that dividend;
 - (ii) no other distribution shall be made on the default shares; and

(iii) no transfer of any shares held by the member shall be registered unless

1) the member is not himself in default as regards supplying the information required and the member provides evidence to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer; or

2) the transfer is an approved transfer.

45.3 The Company shall send to each other person appearing to be interested in the shares which are the subject of a direction notice, a copy of such notice at the same time as the notice is given to the relevant member, but the failure or omission to do so, or the non receipt by that person of the copy, shall not invalidate or otherwise affect the application of Article 45.2.

45.4 The sanctions under Article 45.2 above shall have effect for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect:

(a) if the shares are transferred by means of an approved transfer; or

(b) when the Directors are satisfied that the information required by the notice mentioned in that Article has been received in writing by the Company (such determination to be made within a period of one week of the default being duly remedied with written notice thereof being given forthwith to the member).

The Directors may at any time give notice cancelling a direction notice.

45.5 Nothing contained in this Article 45 shall limit the powers of the Directors under section 794 of the 2006 Act.

GENERAL MEETINGS

46 An annual general meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding annual general meeting) and place as may be determined by the Directors.

47 The Directors may call general meetings whenever they think fit and on a members' requisition under section 303 of the 2006 Act shall forthwith convene a general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or, if there is no Director within the United Kingdom, any member of the Company may call a general meeting.

48.1 The provisions of this Article 48 shall apply if any general meeting is convened at, or adjourned to, more than one place.

- 48.2 The notice of the meeting or adjourned meeting shall specify the place at which the chairman of the meeting shall preside ("**the specified place**"), and the Directors shall make arrangements for simultaneous attendance and participation at that or any other places by members, provided that persons attending at any particular place shall be able to see and hear, and be seen and heard by, persons attending at the other places at which the meeting is convened.
- 48.3 The Directors may, from time to time, make such arrangements for the purpose of controlling the level of attendance at any such place 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 the entitlement of a member to attend a meeting or adjourned meeting shall be satisfied by his being given the entitlement to attend at such place (fulfilling the conditions specified in Article 48.2) as may be specified by the Directors for the purposes of this Article 48.3. For the purposes of all other provisions of these Articles any such meeting shall be treated as being held at the specified place.
- 48.4 If a meeting is adjourned to more than one place, notice of the adjourned meeting shall be given notwithstanding any other provision of these Articles.

NOTICE OF GENERAL MEETINGS

- 49 Subject to the provisions of the Statutes, an annual general meeting shall be called by at least 21 clear days' notice, and all other general meetings shall be called by at least 14 clear days' notice. The notice shall specify the place, the day and the time of meeting and in the case of an annual general meeting shall specify the meeting as such; every notice shall contain a statement with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him provided that where more than one proxy is appointed, such proxy is appointed to exercise the rights attached to a different share or shares held by him and that a proxy need not be a member of the Company. Subject to the provisions of these Articles, notices shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors (whether or not they are also members of the Company) and auditors of the Company.

Provided that a general meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

- (a) in the case of an annual general meeting by all the members entitled to attend and vote thereat; and
 - (b) in the case of a general meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- 50 The accidental omission to give notice of a meeting to, or the non receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 51.1 In the case of any general meeting at which business other than routine business is to be dealt with, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.
- 51.2 Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:
- (a) declaring dividends;
 - (b) receiving and/or adopting the accounts, the reports of the Directors and auditors and other documents required to be attached or annexed to the accounts;
 - (c) appointing or re appointing directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
 - (d) re appointing the retiring auditors (unless they were last appointed otherwise than by the Company in general meeting);
 - (e) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed; or
 - (f) the renewal of any authority given to the Directors in terms of sections 80 or 95 of the 1985 Act.
- 52 No business shall be dealt with at any meeting unless a quorum is present. Two qualifying persons entitled to vote upon the business to be transacted (excluding any member holding treasury shares), each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum, unless:
- (a) each is a qualifying person only because he is authorised to act as the corporate representative in relation to the meeting and they are representatives of the same corporation; or
 - (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting and they are proxies of the same member.
- 53 If a quorum is not present within half an hour after the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within 15 minutes after the time appointed for holding the meeting, the meeting shall be dissolved.

- 54 The Chairman (if any) of the board of Directors, or in his absence the vice Chairman (if any), or in the absence of both of them some other Director nominated by the Directors, shall preside as chairman of the meeting, but if neither the Chairman nor the vice Chairman nor such other Director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number present to be Chairman and, if there is only one Director present and willing to act, he shall be Chairman.
- 55 If no Director is willing to act as chairman, or if no Director is present within 15 minutes after the time appointed for holding the meeting, the members present in person or by proxy and entitled to vote shall choose one of their number to be Chairman. No person appointed as a proxy shall be entitled to be Chairman.
- 56 A Director shall, notwithstanding that he is not a member, be entitled to receive notice of and attend and speak at any general meeting and at any separate meeting of the holders of any class of shares.
- 57 The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the date, time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give notice of an adjournment.
- 58 If an amendment proposed to any resolution under consideration is ruled out of order by the Chairman, the proceedings in the resolution shall not be invalidated by any error in the ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 59 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Statutes, a poll may be demanded
- (a) by the Chairman; or
 - (b) by not less than five members in person or by proxy having the right to vote at the meeting; or
 - (c) by a member or members in person or by proxy representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to any shares held as treasury shares); or
 - (d) by a member or members in person or by proxy holding shares conferring a right to vote on the resolution on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right

(excluding any shares conferring a right to vote on the resolution which are held as treasury shares).

- 60 Unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 61 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 62 Subject to Article 63, a poll shall be taken as the Chairman directs, and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 63 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs, not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 64 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the date, time and place at which the poll is to be taken.
- 65 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.

VOTES OF MEMBERS

- 66 Subject to any rights or restrictions attached to any shares, on a show of hands every member who, being an individual, is present in person or by proxy or, being a corporation, is present by a duly authorised representative who is not himself a member entitled to vote, shall have one vote, and on a poll every member who is present in person or by proxy or, being a corporation, by a duly authorised representative shall have one vote for every share of which he is the holder.
- 67 In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members in respect of the relevant holding.

- 68.1 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, on a show of hands or on a poll, by any person authorised in that behalf by that court, who may on a poll vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.
- 68.2 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by representative or proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.
- 68.3 No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by representative or proxy, in respect of any share held by him which is subject to sanctions under Article 45.2.
- 69 No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting shall be valid and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.

PROXIES

- 70 On a poll votes may be given either personally or by representative or proxy (who need not be a member). A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.
- 71 An instrument appointing a proxy shall be in writing in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the appointor. A corporation may execute a form of proxy either under its common seal or under the hand of a duly authorised officer. A member may appoint more than one proxy to attend on the same occasion and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it. If a member appoints more than one person to act as his proxy the appointment of each such proxy shall specify the shares held by the member in respect of which each such proxy is authorised to vote and no member may appoint more than one proxy (save in the alternative) to vote in respect of any one share held by that member.
- 72 The instrument appointing a proxy and any authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the Directors must
- (a) be deposited at the office or at such other place in the United Kingdom as is specified in the notice convening the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time

for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- (b) in the case of a poll taken more than 48 hours after it was demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting to the Chairman or to the Secretary or to any Director; or
- (d) in the case of an appointment of proxy contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting; or
 - (ii) in any instrument of proxy sent out by the Company in relation to the meeting; or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

In this Article, "**address**", in relation to electronic communications, includes any number or address used for the purposes of such communications.

73 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination was received by the Company at the office, or at such other place at which the instrument of proxy was duly deposited, or where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received, before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

74 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll (and for the purposes of these Articles a demand for a poll made by a person as proxy for a member or as the duly authorised representative of a corporate member shall be the same as a demand made by the member).

75 The Directors may at the expense of the Company send instruments of proxy to the members by post or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the Directors or any other person. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such an instrument or give such an invitation to, or the non receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

CORPORATIONS ACTING BY REPRESENTATIVES

76 Any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares. Subject to the terms of this Article, the person so authorised shall be entitled to exercise the same power on behalf of the corporation as the corporation could exercise if it were an individual member of the Company, and the corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it. Where the corporation authorises only one person, he is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company. Where the corporation authorises more than one person, any one of them is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company and all of them may speak at the meeting, save that if more than one of them purports to exercise a power (other than the power to speak at the meeting) on behalf of the corporation then, subject to the 2006 Act (including, if applicable, section 152 of the 2006 Act):

- (a) if they purport to exercise the power in the same way, the power is treated as exercised in that way; and
- (b) if they do not purport to exercise the power in the same way, the power is treated as not exercised.

DIRECTORS

77 Unless otherwise determined by the Company by Ordinary Resolution the number of directors (other than alternate directors) shall not be more than twelve nor less than two.

78 A Director shall not require a share qualification. There shall not be an age limit for Directors.

79.1 Until otherwise determined by the Company by Ordinary Resolution, there shall be paid to the Directors (other than alternate directors) such fees for their services in the office of director as the Directors may determine divided between the Directors as they agree, or, failing agreement, equally. The fees shall be deemed to accrue from day to day.

- 79.2 The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Directors or of committees of the Directors or general meetings or separate meetings of the holders of any class of shares or otherwise in connection with the discharge of their duties as Directors.
- 79.3 Any Director who holds an executive office or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

ALTERNATE DIRECTORS

- 80 Any Director (other than an alternate director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate director and may remove from office an alternate director appointed by him.
- 81 An alternate director shall (unless he is absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and of committees of the Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not present and generally to perform all the functions of his appointor as a Director in his absence, but shall not (unless the Company by Ordinary Resolution otherwise determines) be entitled to any fees for his services as an alternate director.
- 82 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director: but, if a Director retires by rotation or otherwise but is reappointed or deemed to have been re appointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 83 An appointment or removal of an alternate director shall be by notice in writing to the Company executed by the Director making or revoking the appointment or in any other manner approved by the Directors. In this Article, reference to "**in writing**" includes the use of communications in electronic form subject to such terms and conditions as the Directors may decide.
- 84 Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults, and he shall not be deemed to be the agent of the Director appointing him.

POWERS OF DIRECTORS

- 85 The business of the Company shall be managed by the Directors who, subject to the provisions of the Statutes, the Memorandum and these Articles and to any directions given by a Special Resolution of the Company, may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

86.1 Subject as hereinafter provided, the Directors may exercise all the powers of the Company to borrow money and to pledge or grant any security over all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the Statutes, to issue debentures, debenture stock and other securities whether terminable, redeemable or perpetual and whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any third party.

"Excepted Foreign Currency Borrowings" means moneys borrowed denominated or repayable in a currency other than sterling which have the benefit of an exchange cover scheme;

"exchange cover scheme" means H.M. Treasury exchange cover scheme, forward currency contract, currency option, back to back loan, swap or other arrangement taken out or entered into to reduce the risks associated with fluctuations in the exchange rates;

"finance lease" means a contract between a lessor and a member of the Group as lessee or sub lessee where substantially all the risks and rewards of the ownership of the asset leased or sub leased are to be borne by the lessee or sub lessee;

"Group" means the Company and its subsidiaries and subsidiary undertakings for the time being;

"hire purchase agreement" means a contract of hire between a hire purchase lender and a member of the Group as hirer;

"Investments" means at any time the aggregate of:

- (a) cash at bank and in hand;
- (b) deposits (including for the avoidance of doubt, certificates of deposit) for a term not exceeding 12 months and money at call; and
- (c) securities issued by the Government of the United Kingdom which are traded on a recognised investment exchange.

"Latest Accounts" means in the case where:

- (a) the Company has no subsidiaries or subsidiary undertakings, the latest published audited balance sheet of the Company; or
- (b) the Company has subsidiaries or subsidiary undertakings but there is no audited consolidated balance sheet of the Group, the respective latest published audited balance sheets of the subsidiaries and subsidiary undertakings comprising the Group; or

- (c) the Company has subsidiaries or subsidiary undertakings some only of whose audited balance sheets are consolidated in the latest published audited balance sheet of the Group, the latest published audited consolidated balance sheet of the Group together with the latest published audited balance sheets of those subsidiaries or subsidiary undertakings whose audited balance sheets are not included in the consolidated audited balance sheet of the Group; or
- (d) the Company has subsidiaries or subsidiary undertakings all of whose audited balance sheets are consolidated in the latest published audited consolidated balance sheet of the Group, the latest published audited consolidated balance sheet of the Group

and in this Article 86 references to balance sheets shall be construed as balance sheets prepared for the purposes of the Statutes in accordance with the historical cost convention or that convention with modifications provided that if balance sheets prepared for the purposes of the Statutes have not been prepared in accordance with the historical cost convention but have been prepared in accordance with the current cost convention references to balance sheets are to be taken as references to balance sheets prepared for the purpose of the Statutes in accordance with the current cost convention but adjusted as the Auditors, after consultation with the Directors, consider appropriate to enable the aggregate amount referred to in Article 86.2 to be calculated as though derived from a balance sheet prepared in accordance with the historical cost convention or that convention as applied with such modifications as may be appropriate in the circumstances and references to the Latest Accounts shall be construed accordingly; and

"**outside interests**" means the proportion of the nominal amount of the issued equity share capital of a partly owned subsidiary undertaking which is not attributable, directly or indirectly, to the Company.

86.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights, or powers of control exercisable by the Company in relation to its subsidiaries and subsidiary undertakings so far as to secure (as regards subsidiaries and subsidiary undertakings so far as by such exercise they can secure) that the aggregate principal amount (including any premium payable on final repayment) outstanding of all moneys borrowed by the Company and its subsidiaries and subsidiary undertakings (excluding amounts borrowed by any member of the Group from any other member of the Group other than amounts to be taken into account under Article 86.3) shall not at any time, save with the previous sanction of an ordinary resolution of the Company, exceed a maximum aggregate amount of £550,000,000 (the "**Borrowing Limit**").

86.3

- (a) For the purposes of this Article 86, "**moneys borrowed**" shall, subject to sub paragraph (b), be deemed to include the following, except in so far as otherwise taken into account:
 - (i) the principal amount for the time being outstanding and owing by a member of the Group in respect of any debenture whether issued for cash or otherwise;

- (ii) the principal amount raised by a member of the Group by acceptances under any acceptance credit opened on its behalf and in its favour by any bank or accepting house (not being acceptances in respect of the purchase or sale of goods or the provision of services in the ordinary course of business which are outstanding for six months or less);
 - (iii) the nominal amount of any share capital and the principal amount of any borrowings of any person (together in each case with any fixed or minimum premium payable on final repayment) the redemption or repayment of which is guaranteed or wholly or (to the extent the same is partly secured) partly secured by a member of the Group (but excluding any such share capital which is for the time being beneficially owned by, and (as determined in accordance with sub paragraph (c)) any such borrowings which are for the time being owed to, a member of the Group);
 - (iv) the nominal amount of any share capital (not being equity share capital) of any subsidiary undertaking owned otherwise than by the Company or another subsidiary undertaking;
 - (v) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account; and
 - (vi) any amount in respect of a hire purchase agreement or of a finance lease payable in either case by a member of the Group which would be shown as being so payable in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Accounts.
- (b) For the purposes of this Article 86 "**moneys borrowed**" shall be deemed not to include the following:
- (i) borrowings incurred by a member of the Group for the purpose of financing any contract in respect of which any part of the price receivable under the contract by that or any other member of the Group is guaranteed or insured by the Export Credits Guarantee Department or by any other governmental department or agency fulfilling a similar function, up to an amount equal to that part of the price receivable under the contract which is so guaranteed or insured;
 - (ii) borrowings by a member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowings falling to be included as moneys borrowed and intended to be applied for such purposes within six months after the borrowing thereof during such period (except to the extent so applied);
 - (iii) borrowings by a member of the Group before, and outstanding after, it becomes a subsidiary or subsidiary undertaking of the Company and amounts secured on an asset before, and remaining so secured after, it is acquired by a member of the Group until six months after the subsidiary

becomes a subsidiary or the undertaking becomes a subsidiary undertaking or the asset is acquired, as the case may be; and

- (iv) any guarantee or indemnity given by any member of the group in respect of any amount or obligation deemed not to be moneys borrowed under any of the provisions of this Article 86.
- (c) For the purposes of this Article 86:
- (i) moneys borrowed by a partly owned subsidiary or subsidiary undertaking and not owing to another member of the Group shall (notwithstanding sub paragraph (a)) be taken into account subject to the exclusion of a proportion of such moneys borrowed attributable to outside interests;
 - (ii) moneys borrowed and owing to a partly owned subsidiary or subsidiary undertaking by another member of the Group shall, subject to sub paragraph (a) and sub paragraph (c) (iii), be taken into account to the extent of the proportion of such moneys borrowed attributable to the outside interests in such partly owned subsidiary or subsidiary undertaking; and
 - (iii) in the case of moneys borrowed and owing to a partly owned subsidiary or subsidiary undertaking by another partly owned subsidiary or subsidiary undertaking, the proportion which would otherwise be taken into account under sub paragraph (c)(ii) above shall be reduced by excluding such part of such moneys borrowed as is attributable to the outside interests in the borrowing subsidiary or subsidiary undertaking;
- (d) There shall be offset against the amount of moneys borrowed, any amounts beneficially owned by a member of the Group which represent the value of Investments which would be shown as current assets in a balance sheet prepared in accordance with the accounting principles used in the preparation of the Latest Accounts, subject, in the case of Investments which are beneficially owned by a partly owned subsidiary undertaking, to the exclusion of a proportion thereof attributable to outside interests.
- (e) For the avoidance of doubt, no amount shall be taken into account more than once in any calculation of moneys borrowed; and
- (f) When the aggregate principal amount of moneys borrowed require to be taken into account on any particular date is being ascertained, any particular moneys borrowed which are then outstanding and which are denominated or repayable in a currency other than sterling shall:
- (i) with the exception of Excepted Foreign Currency Borrowings, be translated into sterling at the rate of exchange prevailing in London at the close of business on the last business day before that date or, if it would result in a lower figure, at the rate of exchange prevailing in London at the close of business on the last business day six months before that time

and so that, for these purposes, the rate of exchange shall be taken as the spot rate in London recommended by a London clearing bank selected by the Directors as being the most appropriate rate for the purchase by the Company of the currency and amount in question for sterling at the time in question; and

- (ii) in the case of any Excepted Foreign Currency Borrowings, at the rate of exchange which would be applicable to such moneys borrowed on their repayment to the extent that such rate of exchange is fixed under any exchange cover scheme in connection with such moneys borrowed, provided that, where it is not possible to determine the rate of exchange applicable at the time of repayment of such moneys borrowed, they shall be translated into sterling under the terms of the applicable exchange cover scheme on such basis as may be agreed with, or determined by, the auditors or, if it is agreed with the auditors not to be practicable, in accordance with the provisions of sub paragraph (f)(i) above.

86.4 The Company shall not be in breach of the Borrowing Limit under this Article 86 by reason of the limit being exceeded as a result only of any fluctuation in rates of exchange provided that within six months of the Directors becoming aware of any such fluctuation or change which would but for this provision have caused such a breach, the aggregate principal amount as aforesaid is reduced to an amount not exceeding the said limit.

86.5 If, as a result of any change in legislation relating to or affecting taxation matters, any amount payable by a member of the Group in respect of any finance lease shall increase and, if in consequence the Borrowing Limit under this Article 86 is exceeded, an amount of moneys borrowed equal to the excess may be disregarded until the expiration of six months after the date on which the Directors become aware that such a situation has arisen.

86.6 No person dealing with the Company or any of its subsidiaries or subsidiary undertakings shall, by reason of the foregoing provisions, be concerned to see or inquire whether the said limits are observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded. A certificate signed by two Directors that the amount of any moneys borrowed is within the said limits shall for the purposes of this Article 86.6 be conclusive evidence in any question between any such person and the Company.

86.7 A certificate or report by the auditors as to the amount of moneys borrowed or to the effect that the limit imposed by this Article 86 has or has not been or will or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact.

DELEGATION OF DIRECTORS' POWERS

87.1 The Directors may delegate any of their powers

- (a) to any Managing Director or any Director holding any other executive office;
- (b) to any committee consisting of one or more Directors and (if thought fit) one or more other persons, but a majority of the members of the committee shall be

Directors and no resolution of the committee shall be effective unless a majority of those present when it is passed are Directors; and

- (c) to any local board or agency for managing any of the affairs of the Company either in the United Kingdom or elsewhere.

87.2 Any such delegation may be subject to any conditions the Directors impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject as aforesaid, the proceedings of any committee, local board or agency with two or more members shall be governed by such of these Articles as regulate the proceedings of Directors so far as they are capable of applying.

88 The Directors may, by power of attorney or otherwise, appoint any person, whether nominated directly or indirectly by the Directors, to be the agent of the Company for such purposes and with such powers and subject to such conditions as they think fit, and any such appointment may contain such provisions for the protection and convenience of persons dealing with the agent as the Directors may think fit, and may also authorise the agent to sub delegate all or any of the powers vested in him.

APPOINTMENT AND RETIREMENT OF DIRECTORS

89 At the first annual general meeting of the Company all the Directors shall retire from office and shall be eligible for reappointment; at the annual general meeting in every year thereafter one third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one third, shall retire from office; but, if there is only one Director who is subject to retirement by rotation, he shall retire.

90 Subject to the provisions of the Statutes and to the following provisions of these Articles, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

91 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the reappointment of the Director is put to the meeting and lost.

92.1 No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless

- (a) he is recommended by the Directors; or
- (b) not less than seven nor more than 35 days before the date appointed for holding the meeting, notice executed by a member (other than the person to be proposed) qualified to vote on the appointment or reappointment has been given to the Company stating his intention to propose such person for election and including the particulars which would, if such person were appointed or reappointed, be required

to be included in the Company's register of Directors, together with notice executed by that person of his willingness to be appointed or reappointed.

- 92.2 Not less than three nor more than 28 days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person in respect of whom notice has been duly given to the Company under Article 92.1. The notice under this Article 92.2 shall give the particulars of that person stated in the notice under Article 92.1.
- 93 At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be made, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it, and for the purposes of this Article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.
- 94 Subject as aforesaid, the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, and may also determine the rotation in which any additional Directors are to retire.
- 95 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed as the maximum number of Directors. A Director so appointed shall retire at the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.
- 96 Subject as aforesaid, a Director who retires at an annual general meeting may be reappointed. If he is not reappointed or deemed to have been reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 97 Without prejudice to the provisions of the Statutes, the Company may, by Ordinary Resolution, remove a Director before the expiration of his period of office (but such removal shall be without prejudice to any claim to damages for breach of any contract of service between the Director and the Company) and may, by Ordinary Resolution, appoint another person instead of him. A person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or reappointed a Director.
- 98 The office of a Director shall be vacated if
- (a) he ceases to be a Director by virtue of any provision of the Statutes or he becomes prohibited by law from being a Director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally or shall apply to the Court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or

- (c) he is, or may be, suffering from mental disorder and either
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of any person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice in writing to the Company and the Directors shall resolve to accept such offer; or
- (e) in the case of a Director who holds any executive office, his appointment as such is terminated or expires and the Directors resolve that his office be vacated; or
- (f) he is absent for more than six consecutive months without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated; or
- (g) he is requested in writing by all the other Directors to resign.

DIRECTORS' APPOINTMENTS AND INTERESTS

- 99 The Directors may appoint one or more of their number to any executive office under the Company and, subject to the provisions of the Statutes any such appointment may be made for such term, at such remuneration and on such other conditions as the Directors think fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.
- 100.1 Subject to sections 177 and 182 of the 2006 Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate;

and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

100.2 For the purposes of this Article

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES, PENSIONS AND INSURANCE

101 The Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

102 Without prejudice to the provisions of Article 153, the Directors shall have power to purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any other undertaking which is (a) the parent undertaking of the Company or (b) a subsidiary undertaking of the Company or of such parent undertaking or (c) otherwise allied to or associated with the Company or any such parent undertaking or subsidiary undertaking or in which the Company or such parent undertaking or subsidiary undertaking has any interest whether directly or indirectly or who are or were at any time trustees of any retirement benefits scheme or employees' share scheme in which employees of the Company or of any such other undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other undertaking, retirement benefits scheme or employees' share scheme.

PROCEEDINGS OF DIRECTORS

103.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit.

103.2 A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Subject to Article 103.3, it shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Any Director may waive notice of a meeting and any such waiver may be retrospective.

- 103.3 If a Director has notified the Company in writing of an address in the United Kingdom at which notice of meetings of the Directors is to be given to him when is he absent from the United Kingdom, he shall, if so absent, be entitled to have notice given to him at that address: but the Company shall not be obliged by virtue of this paragraph to give any Director a longer period of notice than he would have been entitled to had he been present in the United Kingdom at that address.
- 103.4 Questions arising at a meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A Director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 103.5 Any Director (including an alternate Director) or a member of a committee of the Directors, may participate in a meeting of the Directors, or such committee, by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence at such meeting.
- 104 No business shall be transacted at any meeting of the Directors unless a quorum is present. The quorum may be fixed by the Directors and unless so fixed at any other number shall be two. An alternate director who is not himself a Director shall, if his appointor is not present, be counted in the quorum.
- 105 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 106 The Directors may elect from their number and remove a Chairman and a Vice Chairman of the board of Directors. The Chairman, or in his absence the Vice Chairman, shall preside at all meetings of the Directors, but if there is no Chairman or Vice Chairman, or if at the meeting neither the Chairman nor the Vice Chairman is present within five minutes after the time appointed for the meeting, or if neither of them is willing to act as Chairman, the Directors present may choose one of their number to be Chairman of the meeting.
- 107 All acts done by a meeting of the Directors, or of a committee of the Directors, or by a person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 108 A resolution in writing executed by all the Directors entitled to receive notice of a meeting of the Directors or of a committee of the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors or (as the case may be) a committee of the Directors duly convened and held, and may consist of several documents in the like form each executed by one or more Directors, but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a Director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity.

- 109.1 Save as otherwise provided in these Articles, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 109.2 Provided that he has disclosed to the board of Directors the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the 2006 Act apply, in which case no such disclosure is required), a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
- (a) the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him at the request of, or for the benefit of, the Company or any of its subsidiary undertakings;
 - (b) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) any proposal concerning the subscription or purchase by him of shares, debentures or other securities of the Company pursuant to an offer or invitation to members or debenture holders of the Company, or any class of them, or to the public or any section of it;
 - (d) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is, or is to be, interested as a participant in the underwriting or sub underwriting thereof;
 - (e) any proposal concerning any other undertaking in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he (together with persons connected with him within the meaning of section 252 of the 2006 Act) is not the holder of or beneficially interested in 1 per cent. or more of the issued shares of any class of such undertaking (or of any third undertaking through which his interest is derived) or of the voting rights available to members of the relevant undertaking (any such interest being deemed for the purposes of this Article 109 to be a material interest in all circumstances). For the purpose of this sub paragraph (e) there shall be disregarded any shares held by a Director as simple trustee under the law of Scotland and of a bare or custodian trustee under the laws of England and Wales and in which he has no beneficial interest and any shares comprised in any authorised unit trust scheme in which the Director is interested only as a unit holder;
 - (f) any proposal concerning the adoption, modification or operation of a retirement benefits scheme or employees' share scheme under which he may benefit and which has been approved by, or is subject to and conditional upon approval by, the Board of Inland Revenue for taxation purposes or by the Company in general meeting and which, in relation to an employees' share scheme, does not accord to any Director as

such any privilege or advantage not generally accorded to those employees who participate in such scheme;

- (g) any proposal concerning any contract or arrangement for the benefit of employees of the Company or of any of its subsidiary undertakings (or any category of such employees) and which does not accord to any Director as such any privilege or advantage not accorded to the employees to whom the contract or arrangement relates;
- (h) any proposal concerning insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors of the Company or for persons who include Directors of the Company, provided that for the purposes of this sub paragraph (h), insurance shall mean only insurance against liability incurred by a Director in respect of any act or omission by him referred to in Article 102, or any other insurance which the Company is empowered to purchase and/or maintain for, or for the benefit of, any groups of persons consisting of or including Directors of the Company.

109.3 For the purpose of this Article 109, an interest of a person who is, for the purpose of the 2006 Act, connected with (which words shall have the meaning given thereto by section 252 of the 2006 Act) a Director shall be treated as an interest of the Director and, in relation to an alternate, an interest of his appointor shall be treated as an interest of the alternate without prejudice to any interest which the alternate has otherwise.

110 The Company may by Ordinary Resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a Director from voting at a meeting of the Directors or of a committee of the Directors.

111 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and (provided he is not under any provisions of these Articles or for any other reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

112 If a question arises at a meeting of the Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting (or, if the Director concerned is the Chairman, to the other Directors at the meeting), and his ruling in relation to any Director other than himself (or, as the case may be, the ruling of the majority of the other Directors in relation to the Chairman) shall be final and conclusive.

DIRECTORS CONFLICT OF INTEREST

113 Subject to Article 115, the board of Directors may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, result in a Director infringing his duty under section 175 of the 2006 Act to avoid a situation in which he has, or

can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company.

114 Any authorisation of a matter under this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised. A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

115 Any authorisation given pursuant to Article 113:

- (a) will only be effective if:
 - (i) the Director in question provides the board of Directors with written details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) or in such other manner as the board of Directors may from time to time direct;
 - (ii) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question and any other interested Director (the "**Interested Directors**"); and
 - (iii) the matter was agreed to without any Interested Director voting or would have been agreed to if the votes of any Interested Director had not been counted;
- (b) may be given subject to any limits or conditions (including as to duration) as the Board may expressly impose from time to time; and
- (c) may be varied or terminated by the board of Directors at any time (but this will not affect anything done by the relevant Director prior to such variation or termination in accordance with the terms of such authority).

116 The provisions of these Articles do not apply to any conflict of interest arising in relation to a transaction or arrangement with the Company.

117 In relation to any matter authorised by the board of Directors in accordance with the provisions of these Articles, the relevant Director may (for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists):

- (a) absent himself from any meeting of the board of Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise;
- (b) abstain from voting at any meeting of the board of Directors on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest;

- (c) make arrangements not to be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company;
- (d) decide not to disclose any information which he has obtained in connection with the matter that gives rise to the conflict of interest or possible conflict of interest to the Board or to any Director or other officer or employee of the Company; and/or
- (e) decide not to use or apply any such information in performing his duties as a Director of the Company.

118 Subject to his declaring the nature and extent of the interest in accordance with the 2006 Act (save in the case of an interest falling within paragraph (a) below which shall not require to be so declared), a Director may have an interest of the following kind:

- (a) where his interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) where the Director (or a person connected with him) is a Director or other officer of or employed by or otherwise interested (including by the holding of shares) in any Relevant Company;
- (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested;
- (d) where the Director (or any person connected with him) acts (or any firm of which is a partner, employee or member acts) in a professional capacity for an Relevant Company (other than as Auditor) whether or not he is remunerated for such actions.

119 For the purposes of this Article 119:

- (a) a "Relevant Company" shall mean;
 - (i) the Company;
 - (ii) any subsidiary or subsidiary undertaking of the Company;
 - (iii) any holding company of the Company or any subsidiary or subsidiary undertaking of any such holding company;
 - (iv) any body corporate promoted by the Company; or
 - (v) any body corporate in which the Company is otherwise interested.

- (b) a person is connected with a Director if he is connected to him in terms of section 252 of the 2006 Act.

MINUTES

- 120 The Directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the Directors; and
- (b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Directors, and of committees of the Directors, including the names of the Directors present at each such meeting.

SECRETARY

- 121 Subject to the provisions of the Statutes, the Secretary shall be appointed by the Directors for such term, at such remuneration and on such other conditions as they think fit and any Secretary so appointed may be removed by them.

SEAL

- 122 If the Company has a Seal it shall only be used by the authority of the board of Directors or of a committee of the board of Directors authorised by the board of Directors. The board of Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.
- 123 The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and those powers shall be vested in the board of Directors.
- 124 Subject to the provisions of the Statutes, the Company may have an official seal for use in any place abroad.

AUTHENTICATION OF DOCUMENTS

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

DIVIDENDS

- 126 Subject to the provisions of the Statutes, the Company may by Ordinary Resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.
- 127 Subject to the provisions of the Statutes, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non preferred rights with regards to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non preferred rights if, at the time of payment, any preferential dividend is in arrear. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferential rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non preferred rights.
- 128 Except as otherwise provided by these Articles or the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article, no amount paid up on a share in advance of a call shall be regarded as paid up on the share.
- 129 A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of any assets, and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members, and may vest any assets in trustees.
- 130 Subject to approval by the Company at any annual general meeting, the Directors may, in respect of any dividend declared or proposed to be declared at any time prior to or at the next following annual general meeting (and provided that an adequate number of unissued shares is available for the purpose), determine and announce that shareholders will be entitled to elect to receive in lieu of such dividend (or part thereof) an allotment of additional shares credited as fully paid. Any such announcement shall, where practicable, be made prior to or contemporaneously with the announcement of the dividend in question and any related information as to the Company's profits for such financial period or part thereof. In any such case the following provisions shall apply:
- (a) the basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value calculated by reference to the average quotation of the additional shares (including any fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amount. For such purpose the "average quotation" of a share shall be the average of the middle market quotations of the shares on the London Stock Exchange, as derived from the Daily Official List of the London Stock Exchange, on each of the first five consecutive business days on which such shares are quoted ex the relevant dividend. A certificate or report by the

auditors as to the amount of the average quotation in respect of any dividend shall be conclusive evidence of that amount;

- (b) the Directors shall, after determining the basis of allotment, give notice in writing to the members of the right of election accorded to them and shall send with or following such notice forms of election specifying the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("**the elected shares**"), and in lieu thereof additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or profit and loss account as the Directors may determine, a sum equal to the aggregate nominal amount of additional shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the elected shares on such basis provided that the first 0.1p per ordinary share of such dividend (or, if less, the amount of the dividend) shall not be subject to the said right of election but shall, in any event, be payable in cash if such dividend is the first dividend to be declared during any calendar year;
- (d) the additional shares so allotted shall rank pari passu in all respects with the fully paid shares then in issue, save only as regards participation in the relevant dividend (or share election in lieu);
- (e) the Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter into, on behalf of all the members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned;
- (f) notwithstanding the foregoing, the Directors may at any time prior to payment of the relevant dividend determine, if it appears to them desirable to do so because of a change in circumstances, that the dividend shall be payable wholly in cash after all and if they so determine then all elections made shall be disregarded. The dividend shall be payable wholly in cash if the ordinary share capital of the Company ceases to be listed on the Official List of the London Stock Exchange at any time prior to the due date of issue of the additional shares or if the listing is suspended and not reinstated by the day immediately preceding the due date of such issue; and
- (g) the Directors may on occasion determine that rights of election shall not be made available to any members with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an

offer of rights of election would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

131 Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, warrant or other instrument sent through the post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every such cheque, warrant or other instrument shall be made payable to or to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct. Any such cheque, warrant or other instrument may be crossed "account payee only" although the Company shall not be obliged to do so. Any such dividend or other moneys may also be paid by any bank or other funds transfer system as the Directors may consider appropriate and to or through such person as the person or persons entitled thereto may in writing direct and the Company shall have no responsibility for any such dividend or other moneys lost or delayed in the course of any such transfer or when it has acted on any such direction. Payment of the cheque, warrant or other instrument by the Bank upon whom it is drawn or transfer of the funds by the bank instructed to make the same shall be a good discharge to the Company.

Every such cheque, warrant or other instrument shall be sent and every such transfer of funds shall be made at the risk of the person or persons entitled to the money represented thereby. If any such cheque, warrant or other instrument has or shall be alleged to have been lost, stolen or destroyed, the Directors may at the request of the person entitled thereto issue a replacement cheque, warrant or other instrument subject to compliance with such conditions as to evidence and indemnity and the payment of such out of pocket expenses incurred by the Company in connection with the request as the Directors may think fit.

132 No dividend or other money payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share.

133 The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

CAPITALISATION OF PROFITS

134 The Directors may with the authority of an Ordinary Resolution of the Company

(a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve);

(b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the Ordinary Shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if

the Ordinary Shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members credited as fully paid;

- (c) resolve that any Ordinary Shares so allotted to any member in respect of a holding by him of any partly paid shares shall so long as such shares remain partly paid rank for dividend only to the extent that the latter shares rank for dividend;
- (d) make such provision by the issue of fractional certificates (or by ignoring fractions) or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable in fractions;
- (e) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further shares to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members; and
- (f) generally do all acts and things required to give effect to such resolution as aforesaid.

135

- (a) Where, pursuant to an employees' share scheme, the Company has granted options to subscribe for shares on terms which provide inter alia for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued share capital and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then, subject to the provisions of the Statutes, the Directors may, on the exercise of any of the options concerned and payment of the subscription which would have applied had such adjustment been made, capitalise any such profits or other sum as is mentioned in Article 134 to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be allotted on the exercise of such options and apply such amount in paying up such balance and allot shares fully paid accordingly.
- (b) The provisions of paragraphs (c) to (f) of Article 134 above shall apply mutatis mutandis to this Article 135 (but as if the authority of an ordinary resolution of the Company were not required).

RECORD DATES

- 136 Notwithstanding any other provision of these Articles but subject always to the Act, the Company or the Directors may by resolution specify any date ("**the Record Date**") as the date at the close of business (or such other time as the Directors may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such Record Date may be on or at any time before the date on which the same is paid or made or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of transferors and transferees of any such shares or other securities.

ACCOUNTS

- 137 No member (other than a Director) shall have any right of inspecting any accounting record or other document of the Company except as conferred by statute or authorised by the Directors or by Ordinary Resolution of the Company.
- 138 A copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) and of the Directors' and auditors' reports or, where permitted by the Statutes, a summary financial statement in the form specified by the Statutes or any regulations made thereunder shall, not less than twenty one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles, provided that this Article 138 shall not require a copy of these documents to be sent to more than one of the joint holders or to any person who is not entitled to receive notices of meetings and of whose address the Company is not aware. Whenever a listing or quotation on any stock exchange for all or any of the shares or debentures or other securities of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITORS

- 139 Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.
- 140 The auditors shall be entitled to attend any general meeting and to receive all notices of, and other communications relating to, any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors.

NOTICES

- 141 Any notice to be given to or by any person pursuant to these Articles shall be in writing, except that a notice calling a meeting of the Directors need not be in writing.

142 The Company may give any notice to a member either:

- (a) personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address; or
- (b) by electronic mail to an address notified by the member to the Company in writing; or
- (c) by means of a website, the address of which shall be notified to the member by the Company in writing.

In the case of a joint holder, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at the address, but otherwise no such member shall be entitled to receive any notice from the Company. In this Article, "**address**", in relation to electronic communications, includes any number or address used for the purposes of such communications.

143 The signature on any notice required to be given by the Company may be typed or printed or otherwise written.

144 A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

145 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title; but this Article does not apply to a notice given under section 793 of the 2006 Act.

146 A notice sent by post shall be deemed to have been given on the day following that on which the envelope containing the notice was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that notice was given. A notice given by advertisement shall be deemed to have been served on the day on which the advertisement appears. A notice sent by electronic mail shall be deemed to have been given at the time it was sent. A notice given by a website shall be deemed to have been given on the date on which the document, information or notice was first made available on the website, or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on a website.

147 A notice may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any like description, at the address, if any, within the United Kingdom supplied for that purpose by the person

claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

148 Any notice required to be given by the Company to the members or any of them, and not expressly provided for by or pursuant to these Articles, shall be sufficiently given if given by advertisement inserted once in at least two leading daily newspapers with appropriate circulation.

149 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date in at least two leading daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

150 Any document, information or notice which requires to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, schedule 4 and schedule 5 of the 2006 Act.

WINDING UP

151 On a return of assets on a winding up, the assets of the Company available for distribution shall (subject to any special rights attached to any other class of shares) be distributed to the holders of the Ordinary Shares rateably according to the nominal amount paid up or credited as paid up on those shares.

PROVISION FOR EMPLOYEES

152 The Directors may, by resolution, exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings in connection with the cessation, or the transfer to any person, of the whole, or part of, the undertaking of the Company or that subsidiary undertaking.

INDEMNITY

153 Subject to the provisions of and so far as may be consistent with the Statutes, but without prejudice to any indemnity to which such person may otherwise be entitled, every Director, auditor, Secretary, other officer or employee of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him (other than any liability to the Company or any associated company (as defined in section 256 of the 2006 Act)) in connection with any negligence, default, breach of duty or breach of trust by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including of a kind referred to in section 234(3) of the 2006 Act (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer, auditor or employee of the Company and in which decree or judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material

breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

INSURANCE

154 The Directors may purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.

155 In this Article:

- (a) a "**Relevant Officer**" means any director or former director of the Company, any other officer or employee or former officer or employee of the Company (but not its auditors); and
- (b) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company, any associated company (as defined in section 256 of the 2006 Act).

SCHEME OF ARRANGEMENT

156.1 In this Article 156, the "**Scheme**" means the scheme of arrangement dated 31 March 2011, between the Company and the Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by the Company and Otter Ports Limited ("**Otter**") and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.

156.2 Notwithstanding any other provision of these Articles, if any ordinary shares are issued (other than to Otter and/or its nominee(s)) at or after the adoption of this Article 156 and on or before the Scheme Record Time, those shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.

156.3 Notwithstanding any other provision of these Articles, if any ordinary shares are issued (the "**Post-Scheme Shares**") to any person (a "**New Member**") (other than under the Scheme or to Otter or its nominee(s)) after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme has become effective, be obliged immediately to transfer (free from all liens, charges, encumbrances, rights of pre-emption, equitable interests and any other third party rights of any nature whatsoever) all of the ordinary shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to Otter and/or its nominee(s) who shall be obliged to acquire all of the Post-Scheme Shares. The consideration for each Post Scheme Share transferred to Otter shall be 1,630 pence in cash (or such greater or lesser amount as may be payable under the Scheme if modified in accordance with its terms).

156.4 On any reorganisation of, or material alteration to, the share capital of the Company (including any subdivision and/or consolidation), the value of the consideration per Post-Scheme Share to be paid under Article 156.3 shall be adjusted by the directors of the Company in such

manner as the auditors of the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article 156 to ordinary shares shall, following such adjustment, be construed accordingly.

- 156.5 To give effect to any transfer of Post-Scheme Shares required by Article 156.3 above, the Company may appoint any person as agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in respect of the Post-Scheme Shares in favour of Otter and/or its nominee(s) and to do all such other things and execute and deliver all such documents as may in the opinion of the agent be necessary or desirable to vest the Post-Scheme Shares in Otter or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as Otter may direct. If an agent is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the appointed person fails to act in accordance with the directions of Otter) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by Otter. The Company may give a good receipt for the purchase price of the Post-Scheme Shares and may register Otter and/or its nominee(s) as holder thereof and issue to it certificate(s) for the same.

The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the Post-Scheme Shares. Otter shall send a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the cash purchase price in consideration for the transfer of such Post-Scheme Shares within 14 days of the date on which the Post-Scheme Shares are issued or transferred to the New Member.

- 156.6 If the Scheme shall not have become effective by the date referred to in clause 5 of the Scheme, this Article 156 shall cease to have effect.