

**INCORPORATED ON 10TH MAY 1921
UNDER THE COMPANIES ACTS 1908 TO 1917**

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

GALLOWAY & MACLEOD LIMITED

(Adopted on 1st December 2010 as amended on 22nd April 2011)

**Wright Johnston & Mackenzie LLP
Solicitors
302 St Vincent Street
Glasgow G2 5RZ
DX GW 129**

(Ref: G.1580.1/ESH)

THURSDAY



SV3FGTO2
SCT 28/04/2011 573
COMPANIES HOUSE

INDEX

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. Introduction
2. Defined terms
3. Private limited company

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. Directors' general authority
5. Number of directors
6. Alternate directors
7. Shareholders' reserve power
8. Directors may delegate
9. Committees

DECISION-MAKING BY DIRECTORS

10. Directors to take decisions collectively & casting votes
11. Unanimous decisions
12. Calling a directors meeting
13. Participation in directors' meetings
14. Quorum for directors' meetings
15. Chairing of directors' meetings
16. Conflicts of interest
17. Directors discretion to make further rules
18. Directors Gratuities and Pensions
19. Partnership Culture

APPOINTMENT OF DIRECTORS AND SECRETARY

20. Appointment and retirement of directors
21. Termination of director's appointment
22. Directors' remuneration
23. Directors' expenses
24. Secretary

PART 3

SHARES AND DISTRIBUTIONS

SHARES

25. Share capital
26. All shares to be fully paid up
27. Powers to issue different classes of share
28. Class rights
29. Special consents

- 30. Issue of shares
- 31. Shareholding limits and EBT shareholding requirement
- 32. Trusts
- 33. Share certificates
- 34. Replacement share certificates
- 35. Lien
- 36. Calls on shares and forfeiture
- 37. Market value
- 38. Share transfers
- 39. Permitted transfers
- 40. Voluntary and deemed transfers
- 41. Pull along
- 42. Company purchase of own shares
- 43. Transmission of shares
- 44. Exercise of transmitters' rights
- 45. Transmitters bound by prior notice

DIVIDENDS AND OTHER DISTRIBUTIONS

- 46. Procedure for declaring dividends
- 47. Payment of dividends and other distributions
- 48. No interest on distributions
- 49. Unclaimed distributions
- 50. Non-cash distributions
- 51. Waiver of distributions

CAPITALISATION OF PROFITS

- 52. Authority to capitalise and appropriation of capitalised sums

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

- 53. General meetings and written resolutions
- 54. Attendance and speaking at general meetings
- 55. Corporate representative
- 56. Quorum and proceedings at general meetings
- 57. Chairing general meetings
- 58. Attendance and speaking by directors and non-shareholders
- 59. Adjournment

VOTING AT GENERAL MEETINGS

- 60. Voting: general
- 61. Restricted members
- 62. Errors and Disputes
- 63. Poll Votes
- 64. Content of proxy notices
- 65. Delivery of proxy notices
- 66. Amendments to resolutions

PART 5

ADMINISTRATIVE ARRANGEMENTS

- 67. Records of decisions to be kept
- 68. Means of communication to be used
- 69. Company seals
- 70. No right to inspect accounts and other records
- 71. Provision for employees on cessation of business

DIRECTORS' INDEMNITY AND INSURANCE

- 72. Indemnity
- 73. Insurance

PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

1. INTRODUCTION

- 1.1 A company's articles of association set out the constitution of the company. The articles bind the company and its shareholders (but only as shareholders and not in any other capacity) to the same extent as if the company and each shareholder had signed them. The company and its shareholders must comply with the terms set out in the articles.

2. DEFINED TERMS

- 2.1 In the articles, unless the context requires otherwise:

"the Act"	means the Companies Act 2006;
"Articles"	means the Company's articles of association;
"Auditors"	means the auditors of the Company from time to time or, if the Company does not have auditors, the accountants of the Company from time to time;
"bankruptcy"	includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;
"chairman"	has the meaning given in article 15;
"chairman of the meeting"	has the meaning given in Article 57;
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the company;
"Dealing Day"	means such day as is specified by the directors in a notice of Market Value issued pursuant to Article 37.4 being not less than 14 and not more than 28 days after such notification;
"director"	means a director of the Company, and includes any person occupying the position of director, by whatever name called;
"Disposal"	means completion of a sale or other disposal of the whole or substantially the whole of the Company and its subsidiaries accompanied by a distribution of some or all of the proceeds of such sale or any other disposal whether by virtue of a winding up of the Company, the payment of dividends, or the purchase by the Company of shares or otherwise;
"distribution recipient"	has the meaning given in Article 47;
"document"	includes, unless otherwise specified, any document sent or supplied in electronic form;

"EBT"	means the Galloway & MacLeod Limited Employee Benefit Trust established by the Company on or about the date that these articles are adopted or a subsequent trust established by the Company for the benefit of the Employees to whom the whole assets of the previous EBT have been transferred and, where appropriate, means the trustees or trustee thereof;
"EBT Shareholding Requirement"	50.1% of the nominal value of the issued ordinary share capital of the Company that carries the right to vote at a general meeting of the Company;
"electronic form"	has the meaning given in section 1168 of the Act;
"Employee"	means a person for the time being in the bona fide employment of the Company or any subsidiary of the Company including any officer of the Company holding a salaried employment with the Company, part-time employees and employees on flexible time, maternity leave, paternity leave and sabbaticals;
"Encumbrance"	means any interest of any person (including without prejudice to the foregoing generality, any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien or assignation or any other encumbrance, priority or security interest or arrangement of whatsoever nature;
"fully paid"	in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;
"hard copy form"	has the meaning given in section 1168 of the Act;
"holder"	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
"instrument"	means a document in hard copy form;
"Listing"	means the listing or admission to trading of any of the issued and to be issued shares in the Company or any subsidiary of the Company on AIM, NASDAQ, the NYSE, the Official List of the UK Listing Authority or any other recognised investment exchange or overseas investment exchange as defined in the Financial Services and Markets Act 2000;
"Market Value"	means the market value of each Ordinary Share as determined by the auditors in accordance with Article 34.2.3;
"ordinary resolution"	has the meaning given in section 282 of the Act;

"Ordinary Shares"	means the ordinary shares of £0.01 each in the capital of the Company from time to time;
"paid"	means paid or credited as paid;
"participate"	in relation to a directors' meeting, has the meaning given in Article 13;
"Partnership Culture"	means the application of the following principles: <ul style="list-style-type: none"> (a) promoting the widespread ownership of shares in the Company by <i>bona fide</i> employees of the Company; (b) having regard to the interests of the Company's employees in general; (c) encouraging the Company's employees to assume responsibility for maximising their contribution to the Company having regard to the interests of future as well as the present employees; (d) providing employees with information concerning major policies and actions of the Company; and (e) affording the employees opportunities individually or through representatives to influence major policies of the Company;
"Preference Shares"	means the redeemable preference shares of £1.00 each in the capital of the Company from time to time;
"proxy notice"	has the meaning given in Article 64;
"Ralph MacLeod"	means Ralph MacLeod, who as at 2 nd December 2010 holds 282,600 Ordinary Shares;
"Restricted Member"	means a member in respect of whom a Transfer Event occurs;
"Restricted Shares"	means shares whose voting rights are suspended pursuant to Article 61.1;
"Sale"	means completion of a sale or transfer of shares in the Company which would if such were registered result in any person (or persons who in relation to each other are acting in concert (and persons acting in concert shall comprise persons who, pursuant to an agreement or understanding (whether formal or informal) actively co-operate through the acquisition by any of them of shares in the Company)) except for an EBT acquiring 50% or more of the Ordinary Shares (and for the purpose of these articles, the persons who are holders of Ordinary Shares at the date of adoption of these articles shall not be deemed to be acting in concert together);

"shareholder"

means a person who is the holder of a share;

"Shareholding Limit"

means:

(a) in the case of any member of the Company other than:

(i) an EBT; or

(ii) the SIP;

5% of the Ordinary Shares issued by the Company;

(b) in the case of an EBT or a SIP there is no Shareholding Limit;

(c)

for the avoidance of doubt, when determining how many shares a person holds for the purposes of the Shareholder Limit, any shares awarded to that person through the SIP that are being held in trust for that person by the trustees of the SIP shall be deemed to be owned directly by that person;

"shares"

means, except where the context requires otherwise, shares in the capital of the Company;

"SIP"

means any share incentive plan created by the Company which satisfies the requirements of Schedule 2 of the Income Tax (Earnings and Pensions) Act 2003 and, where appropriate, means the trustees or trustee thereof;

"special resolution"

has the meaning given in section 283 of the Act;

"subsidiary"

has the meaning given in section 1159 of the Act;

"Transfer Event"

means a member who holds Ordinary Shares:

(a) who is an Employee, ceasing to be an Employee; or

(b) (including a personal representative or trustee in bankruptcy of such person) who is not (or has ceased to be) an Employee or who has been declared bankrupt or made any composition or arrangement with his creditors in each case at the date of the acquisition hereafter referred to, acquiring any shares in the Company in pursuance of a right or interest obtained by such Employee (including but not limited to his right or interest as a beneficiary under a trust); or

- (c) dying; or
- (d) being declared bankrupt or making any composition or arrangement with his creditors; or
- (e) being a corporate member and an order being made or a resolution being passed for the winding up of such a corporate member, or an order being made for the appointment of an administrator to manage the affairs, business and property of that member or a receiver being appointed over its assets.

"transmittee"

means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"writing"

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 2.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles become binding on the company.

3. PRIVATE LIMITED COMPANY

- 3.1 The Company is a private limited company. No offer or invitation will be made to the public (whether for cash or otherwise) to subscribe for shares in or debentures of the Company and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of them being offered for sale to the public.
- 3.2 The Company's name is Galloway & MacLeod Limited.
- 3.3 The Company's registered office is to be situated in Scotland.
- 3.4 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4. DIRECTORS' GENERAL AUTHORITY

- 4.1 Subject to the Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

5. NUMBER OF DIRECTORS

5.1 The minimum number of directors is three unless otherwise determined by ordinary resolution; the number of directors is not subject to any maximum.

5.2 If the total number of directors for the time being is less than the minimum specified in article 5.1, the directors must not take any decision other than a decision:

5.2.1 to appoint further directors; or

5.2.2 to call a general meeting so as to enable the shareholders to appoint further directors.

6. ALTERNATE DIRECTORS

6.1 No director may appoint an alternate director.

7. SHAREHOLDERS' RESERVE POWER

7.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

7.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

8. DIRECTORS MAY DELEGATE

8.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the articles:

8.1.1 to such person or committee;

8.1.2 by such means (including by power of attorney);

8.1.3 to such an extent;

8.1.4 in relation to such matters or territories; and

8.1.5 on such terms and conditions;

as they think fit.

8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

9. COMMITTEES

9.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

9.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

10. DIRECTORS TO TAKE DECISIONS COLLECTIVELY & CASTING VOTES

10.1 Subject to Article 10.2, the general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 11. In the case of an equality of votes, the chairman shall have a second or casting vote.

10.2 For the period from the date of adoption of these Articles until the later of:

10.2.1 7 years from the date of adoption of these Articles; or

10.2.2 the date on which the EBT has purchased such number of Ordinary Shares from Ralph MacLeod so as to total at least 7/15ths of the Ordinary Shares held by Ralph MacLeod at the date of adoption of these Articles;

where Ralph MacLeod:

10.2.3 has appointed himself as a director pursuant to Article 20.8; and

10.2.4 is in attendance at a meeting of the directors

he shall be deemed to have such number of votes on any resolution of the directors at the meeting as are equal to the aggregate number of votes capable of being cast by the other directors present at the meeting plus one.

11. UNANIMOUS DECISIONS

11.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.

11.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

11.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

11.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

12. CALLING A DIRECTORS' MEETING

12.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

12.2 Notice of any directors' meeting must indicate:

12.2.1 its proposed date and time;

12.2.2 where it is to take place; and

12.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 12.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 12.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 12.5 The trustees of the EBT shall be entitled to receive copies of the circulars to the directors and to receive notice of and to attend all directors meetings of the Company, but shall not by reason of being a trustee of the EBT, be entitled to vote at any directors meetings.
- 12.6 Unless otherwise agreed by all the directors in writing in any particular case, at least 7 clear days' notice in writing shall be given to each director and (so long as they exist) each EBT of every meeting of directors together with an agenda setting out the proposed business of the meeting. Except as may be agreed in writing by all the directors in any particular case, no business shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting.
- 12.7 The directors shall use reasonable endeavours to procure that at least 2 meetings of the directors take place in each calendar year.

13. PARTICIPATION IN DIRECTORS' MEETINGS

- 13.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
 - 13.1.1 the meeting has been called and takes place in accordance with the articles, and
 - 13.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 13.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 13.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

14. QUORUM FOR DIRECTORS' MEETINGS

- 14.1 No business shall be transacted at any meeting of directors unless a quorum of directors is present when the meeting proceeds to business. The quorum shall be two directors, one of whom must be, if he is chairman of the Company, Ralph MacLeod. In the event that at any duly convened meeting of the directors, the meeting is not so quorate, the meeting shall be adjourned to the same day next week at the same time and place and at such adjourned meeting the quorum shall be two directors.

15. CHAIRING OF DIRECTORS' MEETINGS

- 15.1 Subject to Articles 15.4 and 15.5, the directors may appoint any person to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the person so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

- 15.2 The person so appointed for the time being is known as the chairman.

- 15.3 The directors may terminate the chairman's appointment at any time.

- 15.4 Any chairman appointed pursuant to Article 15.1:

15.4.1 must be a non-executive chairman (that is, he shall not be an Employee);

15.4.2 shall be subject to the provisions of Article 20 (in particular, he only holds office until the next annual general meeting where he may be reappointed by ordinary resolution (Article 20.4) and he is required to retire by rotation (Article 20.2); and

15.4.3 based on his skills and experience, must be, in the reasonable opinion of a majority of the directors, capable of contributing the following to the Company and the board of directors:

- (a) constructively challenging and contributing to the development of the Company's business strategy;
- (b) scrutinising the performance of the Company's management in meeting agreed goals and objectives and monitoring the reporting of performance;
- (c) satisfying himself that the Company's financial information is accurate and that financial controls and systems of risk management are robust and defensible; and
- (d) assisting in the setting of the Company's values and standards and ensure that its obligations to its members, Employees and others are understood and met.

For the avoidance of doubt, the above provisions shall not apply to a chairman appointed pursuant to Article 15.5.

- 15.5 So long as Ralph MacLeod remains the holder of at least one Preference Share in the Company:

15.5.1 Ralph MacLeod shall be entitled, if he is a director of the Company, to appoint and remove himself as the chairman of the Company; and

15.5.2 in the event that Ralph MacLeod removes himself as the chairman of the Company under this Article 15.5, the Company may not appoint a replacement chairman without Ralph MacLeod's prior written consent,

and for the avoidance of doubt, Ralph MacLeod shall have no such rights if he is not the holder of at least one Preference Share in the Company, and no other person shall have such rights in the event that they hold any Preference Shares

15.6 Any appointment made in terms of Article 15.5 shall be effected by Ralph MacLeod giving notice in writing to the Company and Ralph MacLeod may in like manner at any time and from time to time remove himself from office.

15.7 A notice of appointment or removal of the chairman under Article 15.5 shall take effect upon lodgement at the registered office of the Company or on delivery to a meeting of the directors of the Company.

16. CONFLICTS OF INTEREST

16.1 Unless these articles otherwise provide, a director may vote at a meeting of the directors or of a committee of the directors on a resolution which concerns or relates to a matter in which he has, directly or indirectly, an interest but he remains obliged in any event to declare his interest in accordance with section 177 and section 182 of the Act.

16.2 Subject to Article 16.3, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

16.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

17.1 Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

18. DIRECTORS' GRATUITIES AND PENSIONS

18.1. Without restricting the generality of their powers, the directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been directors of or employed by or in the service of the Company, its subsidiaries (if any) any company which is from time to time an immediate or indirect holding company of the Company or a subsidiary of any such holding company and any company which is otherwise allied to or associated with the Company and to the spouses, former spouses, widows, widowers, children and other relatives and dependants of any such person and may set up, establish, support and maintain pension, superannuation and other funds or schemes, (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them and so that any director shall be entitled to receive and retain for his benefit any such pension, annuity, gratuity allowance or other benefit whether under any such fund or scheme or otherwise.

19. PARTNERSHIP CULTURE

- 19.1 The directors must carry out their duties in accordance with the principles of a Partnership Culture

APPOINTMENT OF DIRECTORS AND SECRETARY

20. APPOINTMENT AND RETIREMENT OF DIRECTORS

- 20.1 Subject to Articles 20.5, 20.8 and 20.9, from 1st January 2016 all directors shall be appointed or re-appointed at a general meeting by ordinary resolution. The directors in office at the date of the adoption of these articles of association shall hold office as directors irrespective of whether or not they were originally appointed or re-appointed in such a manner (although they may still be removed by an ordinary resolution).
- 20.2 Subject to Articles 20.8 and 20.9, with effect from 1st January 2016, at every annual general meeting one-third of the directors 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, he shall retire.
- 20.3 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.
- 20.4 A director who retires at an annual general meeting under Article 20.2 may, if willing to act, be re-appointed at that annual general meeting by ordinary resolution. If he is not so re-appointed 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 and shall not be eligible for re-appointment as a director until the next annual general meeting.
- 20.5 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 by or in accordance with the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof and shall not be eligible for re-appointment as a director until the next annual general meeting.
- 20.6 No person shall be appointed or reappointed a director at a general meeting unless:-
- 20.6.1 he is re-appointed as a director in accordance with Article 20.4 or 20.5;
- 20.6.2 not less than seven nor more than thirty five clear days before the date appointed for the meeting notice has been given by the board of directors to the secretary of its intention to propose that person for appointment or reappointment together with notice executed by that person of his willingness to be appointed or reappointed; or
- 20.6.3 with effect from 1st January 2016, not less than seven nor more than thirty five clear days before the date appointed for the meeting notice has been given by the holders of at least 20% of the Ordinary Shares to the secretary of their intention to propose that person for appointment or reappointment together with notice executed by that person of his willingness to be appointed or reappointed.

20.7 The provisions set out in Article 53.3 (the right to requisition a general meeting) and Article 53.4 (the right to require the circulation of a written resolution) also allow the trustees of an EBT or a certain number of Employees to propose a resolution to remove any director of the Company in accordance with the terms of the Act.

20.8 So long as Ralph MacLeod remains the holder of at least one Preference Share he shall be entitled to appoint and remove himself as a director of the Company and while so appointed Ralph MacLeod shall not be required to retire by rotation pursuant to Article 20.2.

For the avoidance of doubt, Ralph MacLeod shall have no such rights if he is not the holder of at least one Preference Share, and no other person shall have such rights in the event that they hold any Preference Shares.

20.9 So long as John Thomson MacLeod (who as at 2nd December 2010 holds 167,400 Ordinary Shares) remains the holder of at least one Ordinary Share he shall be entitled to appoint and remove himself as a director of the Company and while so appointed John MacLeod shall not be required to retire by rotation pursuant to Article 20.2.

For the avoidance of doubt, John MacLeod shall have no such rights if he is not the holder of at least one Ordinary Share, and no other person shall have such rights in the event that they hold any Ordinary Shares.

20.10 Any appointment made in terms of Article 20.8 or 20.9 shall be effected by the appointer giving notice in writing to the Company and the appointer may in like manner at any time and from time to time remove himself from office.

20.11 A notice of appointment or removal of a director under Article 20.10 shall take effect upon lodgement at the registered office of the Company or on delivery to a meeting of the directors of the Company.

20.12 In any case where, as a result of death, the Company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

20.13 For the purposes of Article 20.12, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

21. TERMINATION OF DIRECTOR'S APPOINTMENT

21.1 A person ceases to be a director as soon as:

21.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;

21.1.2 a bankruptcy order is made against that person;

21.1.3 in the opinion of all the other directors he either becomes incapable by reason of mental disorder of carrying out his duties as a director or engages in activities inconsistent with those duties

21.1.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

21.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

21.1.6 notification is received by the Company, or a meeting of the directors, from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

21.1.7 he fails to attend three successive board meetings (not taking into account any meeting for which his attendance has been excused by a resolution of the board of directors) despite a notice being given to him prior to the third meeting that the provisions of this paragraph might apply and all the other directors resolve (the director concerned being excluded from voting) that his office should be vacated; or

21.1.8 he is served a written notice, signed by or on behalf of the holders of shares conferring a majority of the voting rights conferred by all the shares requiring him to resign.

21.2 A person is not disqualified from being a director by having attained any particular age.

22. DIRECTORS' REMUNERATION

22.1 Directors may undertake any services for the Company that the directors decide.

22.2 Directors are entitled to such remuneration as the directors determine:

22.2.1 for their services to the company as directors, and

22.2.2 for any other service which they undertake for the Company.

22.3 Subject to the Articles, a director's remuneration may:

22.3.1 take any form, and

22.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

22.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

22.5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

23. DIRECTORS EXPENSES

23.1 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

23.1.1 meetings of directors or committees of directors,

23.1.2 general meetings, or

23.1.3 separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

24. SECRETARY

24.1 The directors may appoint and remove one person to be a secretary. A sole director shall not also be the secretary.

PART 3
SHARES AND DISTRIBUTIONS
SHARES

25. SHARE CAPITAL

25.1 The issued share capital of the Company at the date of the adoption of these Articles of Association is £5,100 divided into 500,000 Ordinary Shares and 100 Preference Shares.

25.2 Income

The profits of the Company that are available for distribution in respect of any financial year shall be applied as follows:-

25.2.1 The profits which the Company may determine to distribute in any financial year shall be distributed rateably amongst the holders of the Ordinary Shares.

25.2.2 Every dividend shall be distributed to the appropriate members pro rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis from and including the date of issue of the shares.

Note that under Article 46, any dividend must first be proposed by the directors and then approved by the members in general meeting or by written resolution.

For the avoidance of doubt, no dividend shall be paid on any Preference Share.

25.3 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities the balance of such assets shall be distributed as follows:

25.3.1 first, as a priority to any payment to the holders of any other class of shares, paying the sum of £1.00 to each holder of Preference Shares in respect of each Preference Share held by them at that time; and

25.3.2 after payment of the sums set out in Article 25.3.1, the balance of such assets available for distribution shall be distributed amongst the holders of the Ordinary Shares pro rata according to the amounts paid up on each such Ordinary Share held by them.

25.4 Redemption

The following provisions shall apply to the redemption of the Preference Shares:

25.4.1 Subject to the provisions of the Act and these articles, the Company may by giving 14 days' notice to the holders of the Preference Shares redeem some or all of the Preference Shares at any time after all the holders of Preference Shares have ceased to hold any Ordinary Shares.

25.4.2 The Preference Shares shall be redeemed at a price equal to £1 per share.

25.4.3 On the date of any redemption of the Preference Shares, the Company shall pay to each registered holder of the Preference Shares to be redeemed the amount payable in respect of such redemption. Upon receipt of that amount the holders thereof shall surrender to the Company any certificates for their shares (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate) which are to be redeemed in order that they may be cancelled, provided that if any certificate so surrendered includes any shares not redeemable at that time, the Company shall issue to the holder thereof a fresh certificate for the balance of the shares not redeemable.

25.4.4 Redemption of the Preference Shares shall be subject to the Company having sufficient profits being available for redemption.

25.5 Voting

The Preference Shares shall carry one vote each in their class meetings in respect of the matters referred to in Article 28, but otherwise shall carry no voting rights.

See Articles 60 to 66 for additional provisions regarding voting rights.

26. **ALL SHARES TO BE FULLY PAID UP**

26.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

26.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

27. **POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

27.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

27.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

28. **CLASS RIGHTS**

28.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75% of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class but not otherwise. To every such separate meeting all the provisions of these articles relating to general meetings of the Company shall, mutatis mutandis apply, except that the necessary quorum shall be one person at least holding or representing by proxy or by the authorised representative of a corporate member holding one third of the nominal amount of the issued shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum). Without prejudice to the generality of this article, the special rights attached to the Preference Shares shall be deemed to be varied by:-

28.1.1 the sale, transfer or disposal of any share in the share capital of the Company other than in accordance with these Articles and the sale, transfer or disposal of any share in the share capital of any subsidiary of the Company and by any such

subsidiary of any share in the share capital of any other subsidiary of the Company;

- 28.1.2 either the Company or any subsidiary of the Company subscribing for, purchasing or otherwise acquiring or investing in, or selling, transferring or otherwise disposing of any share, stock, debenture or other interest or security in any company, joint venture or partnership;
- 28.1.3 a resolution to wind-up or petition for the administration of or request the appointment of a receiver to the Company or a subsidiary of the Company being proposed;
- 28.1.4 the Company's consent to any change to the trust deed of the EBT;
- 28.1.5 a resolution by the Company to terminate the EBT or such similar action by the Company as could bring the Trust Period under the EBT's trust deed to an end;
- 28.1.6 alteration or variation of the share capital of the Company or of any subsidiary of the Company (including the subdivision or consolidation of any share) or the rights, privileges and restrictions attaching to any class of share in the share capital of the Company or of any subsidiary of the Company;
- 28.1.7 the issue of any share in the share capital of the Company and the issue of any share in the share capital of any subsidiary of the Company;
- 28.1.8 the grant of any option or other right to subscribe for shares in the Company or any subsidiary of the Company;
- 28.1.9 the purchase or redemption of any share in the share capital of the Company by the Company and the purchase or redemption by any subsidiary of the Company of any share in its own share capital;
- 28.1.10 either the Company or any subsidiary of the Company selling, transferring or disposing of the whole or a substantial part of its business or materially changing the nature of its business;
- 28.1.11 either the Company or any subsidiary of the Company selling, transferring or disposing of any asset other than in the ordinary course of business where the total consideration (or, if higher, the value of the asset as stated in the accounts of the Company (or the subsidiary as appropriate)) exceeds 10% of the net asset value of the Company as stated in its last statutory accounts;
- 28.1.12 either the Company or any subsidiary of the Company purchasing, leasing or acquiring any asset other than in the ordinary course of business where the total consideration exceeds 10% of the net asset value of the Company as stated in its last statutory accounts;
- 28.1.13 either the Company or any subsidiary of the Company borrowing any sums after which the aggregate borrowing of the Company and all its subsidiaries will exceed 10% of the net asset value of the Company as stated in its last statutory accounts;
- 28.1.14 either the Company or any subsidiary of the Company guaranteeing the obligations of a third party or entering into any similar undertaking or obligation with the exception of a guarantee granted to a third party in respect of the obligations of the Company or a subsidiary;
- 28.1.15 either the Company or any subsidiary of the Company granting any Encumbrance over their assets with the exception of: (i) any Encumbrance dated on or before the

date that these Articles are adopted; and (ii) Encumbrances granted in the ordinary course of business under hire purchase and / or retention of title arrangements where the assets under such arrangements have a value of less than 5% of the net asset value of the Company (or the subsidiary, as appropriate) as stated in its last statutory accounts;

28.1.16 alteration of the articles of association of any subsidiary of the Company; or

28.1.17 a Sale, Disposal or Listing.

29. SPECIAL CONSENTS

29.1 The following matters shall require to be approved by a special resolution by the members of the Company as if such had been required under the terms of the Act:-

29.1.1 the sale, transfer or disposal of any share in the share capital of the Company or of any subsidiary of the Company and the sale, transfer or disposal by any subsidiary of any share in the share capital of the Company to any person other than as permitted under these articles;

29.1.2 either the Company or any subsidiary selling, transferring or disposing of the whole or a substantial part of its business or materially changing the nature of its business;

29.1.3 an application for a Listing;

29.1.4 any resolution to wind up the Company or any subsidiary of the Company;

29.1.5 the Company's consent to any change to the Deed of Trust of the EBT; or

29.1.6 a resolution by the Company to terminate the EBT or such similar action by the Company as could bring the Trust Period under the EBT's Deed of Trust to an end.

29.2 The following matter shall require to be approved by an ordinary resolution by the members of the Company as if such had been required under the terms of the Act:

29.2.1 either the Company or any subsidiary of the Company subscribing for, purchasing or otherwise acquiring or investing in, or selling, transferring or otherwise disposing of any share, stock, debenture or other interest or security in any company, joint venture or partnership involving a cumulative total consideration in any accounting reference period in excess of 10% of the net asset value of the Company as stated in its last statutory accounts.

30. ISSUE OF SHARES

30.1 The directors are not authorised to issue any further shares in the Company unless they receive the relevant authority from the members in accordance with Article 28.1.7 (Class Rights).

30.2 Where the Company has been granted the relevant authority by the members and the directors wish to issue new shares in the Company, the directors shall give notice of this to the EBT, detailing how many shares they wish to issue, the relevant subscription price, the extent of their authority and their reasons for wishing to issue new shares.

30.3 Subject to Article 31, following the EBTs' receipt of the notice issued pursuant to Article 30.2, all unissued shares shall be offered to the EBT, the SIP or any Employees in such numbers and / or proportions and on such terms as a majority of the trustees of the EBT

shall set out in a notice in writing issued to the directors. In the absence of any such notice from the trustees of the EBT, no shares shall be issued by the Company.

31. SHAREHOLDING LIMITS AND THE EBT SHAREHOLDING REQUIREMENT

31.1 The directors shall not register any transfer of shares:

31.1.1 to any member who holds or has a beneficial interest in shares in the Company in excess of his Shareholding Limit;

31.1.2 which would cause a member's Shareholding Limit to be exceeded; or

31.1.3 which, after the date that the EBT holds shares equal to or in excess of the EBT Shareholding Requirement, would cause the number of shares held by the EBT to fall below the EBT Shareholding Requirement.

31.2 If any member applies for shares which would cause his Shareholding Limit to be exceeded, such application shall be deemed to be for such number of shares as would result in his holding being equal to his Shareholding Limit.

31.3 If, after the date that the EBT holds shares equal to or in excess of the EBT Shareholding Requirement, any member applies for shares which would cause either directly or indirectly the aggregate number of shares held by the EBT to fall below the EBT Shareholding Requirement, such application shall be deemed to be for such number of shares as would result in the EBT's holding being maintained at a level equal to or in excess of the EBT Shareholding Requirement.

32. TRUSTS

32.1 The Company shall be bound to recognise the EBT and the SIP as holding shares upon trusts and shall enter, as it may think fit, notice of such trusts in the Register of Members. Apart from the foregoing 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 expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the Act and deeds of the registered holders of such shares (including the EBT and the SIP) as if they were the absolute owners thereof. For the purpose of this Article "trust" includes any rights in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in case of transmission thereof as are mentioned in the Model Articles.

33. SHARE CERTIFICATES

33.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

33.2 Every certificate must specify:

33.2.1 in respect of how many shares, of what class, it is issued;

33.2.2 the nominal value of those shares;

33.2.3 that the shares are fully paid; and

33.2.4 any distinguishing numbers assigned to them.

- 33.3 No certificate may be issued in respect of shares of more than one class.
- 33.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 33.5 Every certificate in respect of shares shall be executed on behalf of the Company by two directors or one director and the secretary.

34. REPLACEMENT SHARE CERTIFICATES

- 34.1 If a certificate issued in respect of a shareholder's shares is:
 - 34.1.1 damaged or defaced, or
 - 34.1.2 said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 34.2 A shareholder exercising the right to be issued with such a replacement certificate:
 - 34.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 34.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 34.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

35. LIEN

- 35.1 The Company shall have a first and paramount lien on all shares (whether a fully paid share or not) registered in the name of a person indebted or under liability to the Company (whether he is the sole holder of the shares or one of two or more joint holders) for all moneys (whether presently payable or not) payable at a fixed time or called, and to all distributions and other moneys and property attributable to them. The Company's lien on a share shall extend to any amounts presently payable to the Company by the registered holder of the shares or his estate.

36. CALLS ON SHARES AND FORFEITURE

- 36.1 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 36.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 36.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 36.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice

of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

- 36.5 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 the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 36.6 Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 36.7 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 and all expenses that may have been incurred by the Company by reason of such non-payment. 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.
- 36.8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 36.9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 36.10 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 36.11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

37. MARKET VALUE

- 37.1 The board of directors shall procure that the Market Value of the Company's Ordinary Shares be certified from time to time in the manner set out in this Article 37.
- 37.2 The board of directors of the Company shall forthwith upon the audited accounts of the Company having been agreed with the auditors and the auditors having given their report pursuant to section 495 of the Act request the auditors to prepare and deliver to the board a certificate of Market Value, to be determined by the auditors. In giving such certificate the auditors shall act as experts and not as arbitrators and except in a case of manifest error, their determination of Market Value shall be final and binding under the provisions of these articles. For the avoidance of doubt, the auditors may certify more than one Market Value where they consider that minority shareholdings should be subject to a discounted valuation.
- 37.3 In the event that the directors so resolve at any time the auditors of the Company shall prepare an auditor's certificate revising the latest certificate produced pursuant to this Article 37 so as to re-assess Market Value as at the date stipulated in that resolution.
- 37.4 Within seven days of the board of directors' receipt of an auditor's certificate under Article 37.2 or 37.3, the board of directors shall issue to the members a notice in writing specifying the Market Value and a Dealing Day and asking whether any members wish to offer any shares up for sale on the Dealing Day.

38. SHARE TRANSFERS

- 38.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 38.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 38.3 The company may retain any instrument of transfer which is registered.
- 38.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 38.5 The directors shall refuse to register the transfer of any share unless expressly authorised by these Articles.
- 38.6 For the purpose of these Articles the following shall be deemed (without limitation) to be a transfer by a member of shares in the Company:
- 38.6.1 any direction (by way of renunciation or otherwise) by a member entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself;
- 38.6.2 any sale or any other disposition of any legal or beneficial interest in a share (including any voting right attached thereto) or whether or not by the registered holder thereof or whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and
- 38.6.3 the grant of any option over any shares with the exception of any option granted by or to the trustees of the EBT or the trustees of the SIP.
- 38.7 For the purpose of ensuring that a transfer of shares is duly authorised or required under these Articles the directors may require any member or legal representatives of any deceased member or any person named as transferee in any transfer lodged for

registration or such other person as the directors may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the directors may think fit regarding any matter which they deem relevant to such purpose including (but not limited to) the names, addresses and interests of all persons respectfully having interests in the shares from time to time registered in the members' name. Failing such information and evidence being furnished to the satisfaction of the directors within a period of 28 days after such request, the directors shall be entitled to refuse to register the transfer in question.

39. PERMITTED TRANSFERS

39.1 Article 40 shall not apply to and, subject to Article 31, the directors shall be bound to approve for registration the following transfers:-

39.1.1 any transfer of shares by the trustees of the EBT for the time being to new trustees of the EBT or by the trustees of a SIP to new trustees of a SIP;

39.1.2 any transfer of Shares between the trustees of the EBT and the trustees of a SIP;

39.1.3 any transfer by the trustees of the EBT or by the trustees of a SIP to the trustees of any one or more employee benefit trusts established by the Company for the benefit of Employees on terms similar to those of the EBT or a SIP including the transfer of any shares by the trustees of the EBT or by the trustees of a SIP to one or more trustees or a corporate trustee of such employee benefit trusts;

39.1.4 any transfer by the trustees of the EBT to a beneficiary of the EBT or by the trustees of a SIP to a beneficiary of a SIP in accordance with their respective trust deeds and rules;

39.1.5 any transfer by Employees or former Employees to the trustees of the EBT or to a SIP;

39.1.6 any transfer by the trustees of the EBT or the trustees of a SIP in connection with any employees' share scheme (as defined by section 1166 of the Act) which the Company or any subsidiary may from time to time establish;

39.1.7 any transfer pursuant to Article 41; and

39.1.8 any transfer by Ralph MacLeod or his representatives of any Preference Shares.

40. VOLUNTARY AND DEEMED TRANSFERS

40.1 Save as otherwise provided in these Articles every member who desires to transfer any shares (a "Seller") shall give notice in writing (a "Transfer Notice") to the Company stating the number of shares he wishes to sell ("the Sale Shares"). Every member in respect of whom a Transfer Event occurs shall be deemed to have given a transfer notice (a "Deemed Transfer Notice") in respect of all shares then held by that member. A Transfer Notice and a Deemed Transfer Notice shall constitute the Company as the Seller's agent for the sale of the shares specified therein, at such Market Value as may apply on the date that the said shares shall be transferred, in accordance with the provisions of this Article 40.

40.2 Until 1st January 2016, no member shall be able to issue a Transfer Notice other than a Deemed Transfer Notice in respect of any shares received by them in any manner other than through the SIP ("Non-SIP Shares").

In each calendar year from 1st January 2016 to 31st December 2021, any member may issue a voluntary Transfer Notice in respect of up to 20% of the Non-SIP Shares held by them as at 1st January 2016.

For the avoidance of doubt, members shall at all times be free to issue voluntary Transfer Notices in respect of any shares received by them through the SIP.

- 40.3 All Sale Shares shall first be offered by the Company to the EBT and to the SIP in such proportions as the trustees of the EBT shall in their absolute discretion determine. The offer shall be in writing and will remain open for acceptance in whole or in part for the shorter of 14 days or by the date of the next Dealing Day or such shorter period as the EBT or the SIP (as the case may be) may agree ("**First Offer Period**").
- 40.4 If there is no EBT and no SIP or if at the end of the First Offer Period there are any Sale Shares which have not been accepted by the EBT or the SIP, the Company shall offer such shares in writing to all the Employees as at the next Dealing Day (other than (1) the EBT, (2) the SIP, (3) the Seller and (4) any member whose shares, or any of whose shares, are then the subject of a Transfer Notice or Deemed Transfer Notice) who shall each be entitled to accept such number of offered Sale Shares as will take their shareholding up to their Shareholding Limit. This offer shall be made in writing on the Dealing Day immediately after the date of the Transfer Notice or the date of the Transfer Event or expiry of the First Offer Period and will remain open for 14 days for acceptances to be given in writing to the Company ("**the Second Offer Period**").
- 40.5 If at the end of the Second Offer Period the Directors have received acceptances from the Employees and members for more Sale Share than are on offer, the Directors shall, in consultation with the trustees of the EBT, allocate the Sale Shares amongst the accepting parties in such manner as they see fit. For the avoidance of doubt, such allocation need not be in proportion to any member's existing shareholding.
- 40.6 If at the end of the Second Offer Period there are any Sale Shares which have not been accepted by the EBT, the SIP, the other members or Employees, the Sale Shares shall be offered to the Company and, subject to the provisions of the Act, the Company may purchase all or a proportion of the Sale Shares provided that any acceptance of an offer in terms of this Article 40.6 is made within a period of 21 days after the date the Sale Shares are offered to the Company (the "**Third Offer Period**"). All of the shareholders who have a right to attend and vote at a general meeting of the Company at the relevant time shall or shall procure consent to the passing of any resolution of the Company necessary to facilitate the purchase by the Company of its own shares in accordance with this Article 40.6.
- 40.7 If at the end of the Third Offer Period there are any Sale Shares which have not been accepted by the EBT, the SIP, the other members, Employees or the Company, the Sale Shares shall be offered by the Company to the EBT and the SIP in such proportions as the trustees of the EBT shall in their absolute discretion determine. The offer shall be in writing and will remain open for acceptance in whole or in part for 14 days or such shorter period as the EBT or the SIP (as the case may be) may agree.
- 40.8 If the Company finds a purchaser for all or any of the Sale Shares the Company shall forthwith give notice ("**an Allocation Notice**") to the Seller and those who have applied to purchase Sale Shares and shall specify in such notice the place and time (not earlier than 7 and not later than 21 days after the date of the Allocation Notice) at which the sale of the Sale Shares so allocated shall be completed.
- 40.9 The Seller shall be bound to transfer the shares comprised in the Allocation Notice to the purchaser named therein at the time and place therein specified. If the Seller shall fail to do so the chairman of the Company or some other person appointed by the Board of Directors shall be deemed to have been appointed attorney of the Seller with full power to execute, complete and deliver in the name and on behalf of the Seller transfers of the Sale Shares to the purchaser(s) thereof against payment of the price to the Company and on payment of the price the purchaser shall be deemed to have obtained a good discharge for the

purchase money and the purchaser(s) shall (subject to the transfer being duly stamped) be entitled to insist upon his name being entered in the register of members as a holder of a transfer of the Sale Shares.

40.10 If there are insufficient acceptances for all the Sale Shares offered to members in accordance with Articles 40.2 to 40.7 (inclusive), the following principles will apply:

40.10.1 shares the subject of a Deemed Transfer Notice will be sold in priority to other shares;

40.10.2 if there are insufficient acceptances for all shares becoming the subject of Deemed Transfer Notices then allocations of such shares shall be made pro rata (as nearly as possible) according to the number of shares held by the respective members whose shares are the subject of a Deemed Transfer Notice;

40.10.3 allocations of shares the subject of a Transfer Notice shall be made pro rata (as nearly as possible) according to the number of shares held by the respective members whose shares are the subject of a Transfer Notice;

40.10.4 subject to Articles 40.11, the Company shall have authority to continue to offer all or any of the shares the subject of a Deemed Transfer Notice in accordance with Articles 40.2 to 40.7 (inclusive) until these shares have been sold in accordance with these rules;

40.10.5 with the exception of any Deemed Transfer Notices, Transfer Notices shall be deemed to have been withdrawn in respect of any shares the subject of the Transfer Notice that have not been sold.

40.11 Any shares that are subject to a Deemed Transfer Notice that (i) are not sold and (ii) the Company retains the authority to continue to offer for sale pursuant to Article 40.10.4, shall be offered for sale at each subsequent Dealing Day at such future Market Value(s) as is(are) certified prior to each subsequent Dealing Day until these shares are sold.

41. PULL ALONG

41.1 If:

41.1.1 a bona fide offer to purchase the shares made by an independent third party on arm's length terms is extended to all members (a "**Full Offer**") and such Full Offer is accepted by members holding all the issued Preference Shares; then

41.1.2 the members who have accepted the Full Offer ("**Accepting Members**") may within 28 days of the close of the Full Offer serve on those members who have not accepted the Full Offer ("**Rejecting Members**") a written notice signed by each Accepting Member requiring the Rejecting Members to sell all Shares registered in their names to the offeror or acquire all the Shares of the Accepting Members at the price offered by the offeror ("**Mandatory Transfer Notice**").

41.2 If a Mandatory Transfer Notice is served on any Rejecting Member, that Rejecting Member shall, within 28 days of the date of the Mandatory Transfer Notice either accept and complete the Full Offer or offer to buy and complete the acquisition of all the shares of the Accepting Members on terms identical to those of the Full Offer.

41.3 If more than one Rejecting Member ("**the Purchasing Members**") offers to buy and complete the acquisition of all the shares of the Accepting Members in accordance with Article 41.2, the shares of the Accepting Members shall be allocated among the Purchasing Members in proportion to their existing holdings of Ordinary Shares relative to each other.

- 41.4 Articles 40.8 and 40.9 shall apply, with any necessary adaptations, to any transfer to be made under this Article 41.

42. COMPANY PURCHASE OF OWN SHARES

- 42.1 Subject to and in accordance with the provisions of the Act the Company may purchase any of its own shares of any class (including redeemable shares) at any price (whether at par or above or below par), and make a payment in respect of such redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares within such limits as may be specified by the Company in general meeting in compliance with the provisions of the Act and may enter into or vary any contract for such purchase. Any shares to be so purchased may be selected in any manner whatsoever. Every such purchase or contract providing for the purchase by the Company of shares in the Company shall be authorised by such resolution or resolutions of the Company as may be required by the Act. All shares so purchased shall be cancelled immediately upon completion of the purchase. Notwithstanding anything to the contrary contained in these Articles the rights and privileges attaching to any class of shares shall be deemed not to be modified or abrogated by anything done by the Company in pursuance of this Article.

43. TRANSMISSION OF SHARES

- 43.1 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, have his interest noted in the Register of Members and (whether or not such person shall have elected to be registered as the holder of such share) shall be bound by the provisions of these Articles and in particular shall be bound to execute a transfer of such share in accordance with Article 40 and Article 41.
- 43.2 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- 43.3 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- 43.3.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person, and
- 43.3.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 43.4 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

44. EXERCISE OF TRANSMITTEES' RIGHTS

- 44.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 44.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 44.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

45. TRANSMITTEES BOUND BY PRIOR NOTICES

- 45.1 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

46. PROCEDURE FOR DECLARING DIVIDENDS

- 46.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 46.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 46.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 46.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 46.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 46.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 46.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

47. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 47.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 47.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 47.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 47.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

47.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

47.2 In the articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:

47.2.1 the holder of the share; or

47.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

47.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or

47.2.4 otherwise by operation of law, the transmittee.

48. NO INTEREST ON DISTRIBUTIONS

48.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

48.1.1 the terms on which the share was issued, or

48.1.2 the provisions of another agreement between the holder of that share and the Company.

49. UNCLAIMED DISTRIBUTIONS

49.1 All dividends or other sums which are:

49.1.1 payable in respect of shares, and

49.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

49.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

49.3 If:

49.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

49.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

50. NON-CASH FOR DISTRIBUTIONS

50.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company).

50.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

50.2.1 fixing the value of any assets;

50.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

50.2.3 vesting any assets in trustees.

51. WAIVER OF DISTRIBUTIONS

51.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if:

51.1.1 the share has more than one holder, or

51.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

52. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

52.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

52.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

52.1.2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.

52.2 Capitalised sums must be applied:

52.2.1 on behalf of the persons entitled, and

52.2.2 in the same proportions as a dividend would have been distributed to them.

52.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

52.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

52.5 Subject to the articles the directors may:

52.5.1 apply capitalised sums in accordance with paragraphs 52.3 and 52.4 partly in one way and partly in another;

- 52.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- 52.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

53. GENERAL MEETINGS AND WRITTEN RESOLUTIONS

53.1 Every notice calling a general meeting of the Company shall include, with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not also be a member of the Company.

53.2 The Company shall be under an obligation to hold an annual general meeting each year within six months of its financial year end.

53.3 A general meeting of the Company may be requisitioned at any time, by:

53.3.1 the holders of no less than 5% of the issued share capital of the Company; or

53.3.2 no less than 30% of the Employees; or

53.3.3 by the trustees of the EBT,

regardless of whether, at the date of deposit of the requisition, such members, Employees or trustees hold the proportion of the paid-up share capital of the Company required by members to requisition a general meeting under section 303 of the Act, which section (together with the other provisions of Chapter 3 of Part 13 of the Act) shall otherwise apply to such requisition.

53.4 The Company is required to circulate a written resolution and any accompanying statement once it has received requests from:

53.4.1 the holders of no less than 5% of the issued share capital of the Company; or

53.4.2 no less than 30% of the Employees; or

53.4.3 by the trustees of the EBT,

regardless of whether, at the date of deposit of the request, such Employees or trustees hold the proportion of the paid-up share capital of the Company required by members to requisition a written resolution under section 292 of the Act, which section (together with the other provisions of Chapter 2 of Part 13 of the Act) shall otherwise apply to such requisition.

54. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 54.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 54.2 A person is able to exercise the right to vote at a general meeting when:
- 54.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - 54.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 54.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 54.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 54.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

55. CORPORATE REPRESENTATIVE

- 55.1 A corporate member may by resolution of its directors or other governing body authorise such one person as it thinks fit to act as its representative at general meetings of the Company. The authorised person may exercise the same powers on behalf of the granter of the authority as the granter could exercise if it were an individual member.

56. QUORUM AND PROCEEDINGS AT GENERAL MEETINGS

- 56.1 Subject to Article 56.2, ten persons entitled to vote at a general meeting attending a general meeting in person shall be a quorum at a general meeting of the Company. For the avoidance of doubt, members attending a general meeting by proxy shall be ignored for the purposes of ascertaining if a quorum is present.
- 56.2 If a quorum is not present within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting decides) from the time appointed for a general meeting the meeting shall be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine. The directors shall be obliged to use all reasonable endeavours to procure that the Company gives notice as soon as is reasonably practicable to all members of the date, time and place of such adjourned general meeting. At the adjourned general meeting the quorum shall be those members present.

57. CHAIRING GENERAL MEETINGS

- 57.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 57.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 57.2.1 the directors present, or

57.2.2 (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

57.3 The person chairing a meeting in accordance with this Article is referred to as **"the chairman of the meeting"**.

58. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

58.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

58.2 The chairman of the meeting may permit other persons who are not:

58.2.1 shareholders of the company, or

58.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

58.3 In addition to the members of the Company, Employees shall be entitled to receive notice of, attend and speak at general meetings of the Company but, subject to Article 58.4, any such Employee who is not also a member of the Company shall not be counted in any quorum nor have any right to vote on any resolution.

58.4 Each Employee: (a) who has been awarded shares through the SIP; (b) whose shares are held by the trustees of the SIP on his behalf; (c) is not the holder of any Ordinary Shares registered in his own name, shall have the right to receive notice of, attend and speak to any general meeting of the Company and shall have the voting rights set out in Article 60 and 63.

59. ADJOURNMENT

59.1 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

59.1.1 the meeting consents to an adjournment, or

59.1.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

59.2 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

59.3 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

60. VOTING: GENERAL

- 60.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

61. RESTRICTED MEMBERS

- 61.1 All voting rights and rights to receive notice of and attend any general meetings of the Company attached to Ordinary Shares held by an Employee shall be suspended with immediate effect from the time such Employee becomes a Restricted Member.
- 61.2 If a Restricted Member transfers any Restricted Shares in the Company in accordance with the provisions of these Articles, all rights attached to the Restricted Shares so transferred that were suspended pursuant to Article 61.1 shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

62. ERRORS AND DISPUTES

- 62.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 62.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

63. POLL VOTES

- 63.1 A poll on a resolution may be demanded:
- 63.1.1 in advance of the general meeting where it is to be put to the vote, or
 - 63.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 63.2 A poll may be demanded by:
- 63.2.1 the chairman of the meeting;
 - 63.2.2 the directors;
 - 63.2.3 by any member having the right to vote at the meeting; or
 - 63.2.4 the trustees of the EBT.
- 63.3 A demand for a poll may be withdrawn if:
- 63.3.1 the poll has not yet been taken, and
 - 63.3.2 the chairman of the meeting consents to the withdrawal.
- 63.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

63.5 On a poll:

- 63.5.1 subject to Article 63.5.3, every holder of Ordinary Shares who is present in person, by representative or by proxy shall have one vote for each Ordinary Share that they hold;
- 63.5.2 each Employee: (a) who has been awarded shares through the SIP; and (b) whose shares are held by the trustees of the SIP on his behalf, shall have one vote for each share that has been awarded to them through the SIP and is held by the trustees of the SIP on his behalf at the date of the poll; and
- 63.5.3 where the EBT holds shares equal to or over the EBT Shareholding Requirement, in their capacity as trustees, Article 63.5.1 shall cease to apply to the trustees of the EBT and the trustees of the EBT shall be deemed to have such number of votes which equals the total number of votes cast by all other persons entitled to vote on the poll other than the trustees of the EBT.

For the avoidance of doubt, where a member is an individual shareholder and also a trustee of an EBT or a SIP, each such member shall still have their own individual vote in accordance with Articles 63.5.1 and 63.5.2 in addition to any such vote(s) as they may have in their capacity as trustees.

64. CONTENT OF PROXY NOTICES

64.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- 64.1.1 states the name and address of the shareholder appointing the proxy;
- 64.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- 64.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 64.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

64.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

64.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

64.4 Unless a proxy notice indicates otherwise, it must be treated as:

- 64.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- 64.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

65. DELIVERY OF PROXY NOTICES

65.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

- 65.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 65.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 65.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

66. AMMENDMENTS TO RESOLUTIONS

- 66.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
 - 66.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - 66.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 66.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
 - 66.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 66.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 66.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

67. RECORDS OF DECISIONS TO BE KEPT

- 67.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors or members in a general meeting.

68. MEANS OF COMMUNICATION TO BE USED

- 68.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.

- 68.2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 68.3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 68.4 Where a document or information is sent or supplied by the Company pursuant to section 1147(2) (documents sent or supplied by post) or 1147(3) (documents sent or supplied by electronic means) of the Act they shall be deemed to have been received 48 hours after it is posted or sent (as appropriate).

69. COMPANY SEALS

- 69.1 Any common seal may only be used by the authority of the directors.
- 69.2 The directors may decide by what means and in what form any common seal is to be used.
- 69.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 69.4 For the purposes of this article, an authorised person is:
- 69.4.1 any director of the Company;
 - 69.4.2 the company secretary (if any); or
 - 69.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

70. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

- 70.1 Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

71. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

- 71.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

72. INDEMNITY

- 72.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against losses and liabilities which he incurs, otherwise than as a result of his own negligence or default in connection with the

performance of his duties as such and against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or where the proceedings are withdrawn or settled on terms which do not include a finding or admission of a material breach of duty by him or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

73. INSURANCE

73.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

73.2 In this Article:

73.2.1 a "**relevant director**" means any director or former director of the Company or an associated company,

73.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

73.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.