

The Companies Act 2006
A PUBLIC COMPANY LIMITED
BY SHARES
ARTICLES OF ASSOCIATION
of
IQE PLC
Adopted by Special Resolution
passed on 22 May 2013

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PART B

Provisions of the memorandum of association of the Company that are treated as provisions of the articles of association of the Company under section 28 of the Companies Act 2006

PRELIMINARY

1 Disapplication of Table A and Model Articles

The regulations contained in Table A to any Companies Act or Companies (Consolidation) Act prior to the Companies Act 2006 and the regulations contained in Schedule 3 of The Companies (Model Articles) Regulations 2008 and Table A of The Companies (Tables A to F) Regulations 1985 and any regulations set out in any statute or statutory instrument concerning companies in force at the time of adoption of these Articles shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

2 Interpretation

In these Articles, unless the subject or context otherwise requires:

2.1 the following words have the following meaning:

"AIM"	A market operated and regulated by the Exchange
"AIM Rules"	The rules of the Exchange governing the admission to and the operation of AIM
"the Act"	The Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force
"these Articles"	These Articles of Association, whether as originally adopted or as from time to time altered by special resolution
"the Auditors"	The auditors for the time being of the Company
"Board"	The Board of Directors of the Company from time to time or the Directors present at a duly convened meeting of the Directors at which a quorum is present
"Business Day"	Any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business
"the Company"	IQE Plc
"the Directors"	The directors for the time being of the Company or any of them duly acting as the Board of Directors of the Company
"Exchange"	The London Stock Exchange
"Independent Directors"	A member of the Board of Directors other than: <ul style="list-style-type: none">(i) an executive, former executive or employee of the Company or any of its subsidiaries;(ii) a shareholder with a beneficial interest in five percent or more of the Company's issued shares; or

- (iii) any other individual who has a relationship with the Company, which in the opinion of the Board of Directors, would interfere with the exercise of independent judgement in carrying out the responsibilities of a member of the Board of Directors

"listed"	Admitted to trading on AIM
"member"	A member of the Company
"month"	Calendar month
"the Office"	The registered office for the time being of the Company
"the Register"	The register of member of the Company
"the Seal"	The common seal (if any) of the Company
"the Statutes"	The Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
"the Transfer Office"	The place where the Register is situated for the time being
"the United Kingdom"	Great Britain and Northern Ireland
"in writing"	Written, printed, type-written or lithographed, or visibly expressed in all or any of these or any other methods of representing or reproducing words in a visible form
"year"	Calendar year;

- 2.2 the expression "clear days" in relation to the period of a notice means that period excluding the day when notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
- 2.3 the expressions "debenture" and "debenture-holder" respectively include "debenture stock" and "debenture stockholder";
- 2.4 the expression "duly certified copy" when used in relation to a power of attorney shall mean a copy of such power which complies with the provisions of section 3 of the Powers of Attorney Act 1971 (as amended or re-enacted from time to time) or such other certification method or procedure as the Directors shall accept;
- 2.5 the expression "dividend" includes bonus;
- 2.6 the expression "executed" includes any mode of execution recognised by law in respect of the document in question;
- 2.7 the expression "paid up" includes credited as paid up;

- 2.8 the expressions "recognised clearing house" and "recognised investment exchange" shall have the meanings given to them by the Financial Services and Markets Act 2000;
- 2.9 the expression "secretary" includes (subject to the Statutes) any assistant or deputy secretary of the Company appointed pursuant to Article 135 and any person duly appointed by the Directors to perform any of the duties of the secretary of the Company and, where two or more persons are duly appointed to act as joint secretaries, or as joint assistant or deputy secretaries, of the Company, includes any one of those persons;
- 2.10 the expression "transfer" includes any procedure authorised by the Statutes and approved or adopted by the Directors for transferring title to securities without a written instrument;
- 2.11 all of the provisions of these Articles which are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly;
- 2.12 words importing the singular number only shall include the plural number, and vice versa;
- 2.13 words importing the masculine gender only shall include the feminine gender;
- 2.14 words importing persons shall include references to a body corporate and to an unincorporated body of persons; and
- 2.15 references to particular provisions of any of the Statutes or any other Act shall be construed as references to those provisions and every statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

Headings are inserted for convenience only and shall not form part of, or affect the construction of, these Articles.

BUSINESS

3 Directors' Authority

Any branch or kind of business which by these Articles is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time or times as they shall think fit and, further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

OFFICE

4 Location of registered office

The Office shall be at such place in England or Wales as the Directors shall from time to time appoint.

SHARE CAPITAL

5 Amount and composition of share capital

The issued share capital of the Company at the time of the adoption of these Articles is divided ordinary shares of £0.01 each.

6 Further issue of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any shares in the capital of the Company for the time being may, subject to the provisions of the Statutes and the AIM Rules, be allotted with such special rights, privileges or restrictions as the Company may by ordinary resolution (before the allotment of such shares) from time to time determine or, if the Company has not so determined, as the Directors may determine and in particular any such shares may be allotted with a preferential, deferred or qualified right to dividends or to the distribution of assets and with a special or qualified or without any right of voting and (subject to provisions of the Statutes and the AIM Rules) on the terms that they are, or at the option of the Company are to be liable, to be redeemed.

VARIATION OF RIGHTS AND CLASS MEETINGS

7 Consent requirements and class meetings generally

Subject to the provisions of the Statutes, whenever the share capital is divided into different classes of shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be modified, varied, extended, abrogated or surrendered either in such manner (if any) as may be provided by such rights or (in the absence of any such provision) with the written consent of the holders of at least three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of such shares. To every separate general meeting of the holders of the issued shares of a particular class (whether held for the purpose of passing a resolution relating to class rights or for any other purpose) the provisions of these Articles relating to general meetings shall (mutatis mutandis) apply, except that:-

- 7.1 No member shall be entitled to receive notice of such meeting or to attend it unless he is a holder of shares of the class in question and no vote shall be given except in respect of a share of that class;
- 7.2 The necessary quorum shall be two persons at least present in person and holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question;
- 7.3 If any such separate general meeting shall be adjourned by any reason of there being no quorum present and at the adjourned meeting a quorum as defined above shall not be present within fifteen minutes after the time appointed for such adjourned meeting, one holder of shares of the class in question present in person or by proxy shall be a quorum;
- 7.4 Any holder of shares of the class in question who is present in person or by proxy and entitled to vote may demand a poll; and
- 7.5 On a poll every holder of shares of the class in question who is present in person or by proxy shall have one vote for every share of that class held by him.

8 Shares with preferential rights

If any class of shares shall have any preferential right to dividend or return of capital, the creation or allotment of other shares having rights to either dividend or return of capital which rank either pari passu with or after that class shall be deemed not to be a variation of the rights of the holders of that class of shares unless otherwise expressly provided by these Articles or by the rights attached to the shares of that class. Any lawful purchase by the Company of its own shares of any class shall be deemed not to be a variation of the rights of the holders of that or any other class of shares in the capital of the Company unless otherwise expressly provided by these Articles or by the rights attached to the shares of that or such other class of shares.

INCREASE OF CAPITAL

9 Authority to allot shares

Subject to any directions that may be given in accordance with the powers contained in these Articles or the Statutes or the AIM Rules, any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it has been part of the original capital.

OTHER ALTERATIONS OF CAPITAL

10 Consolidation, cancellation and sub-division

Subject to the provisions of Article 12 and the Statutes, the Company may from time to time by ordinary resolution:

- 10.1 Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- 10.2 Cancel any shares which at the date of the passing of relevant resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of the shares so cancelled; or
- 10.3 By sub-division of its existing shares, or any of them, divide its capital, or any part thereof, into shares of smaller amount than is fixed by these Articles or was fixed by the resolution creating such shares provided that in any such sub-division the proportion between the amount paid and the amount, if any, unpaid on each such share of smaller amount shall be the same amount as it was in the case of the share from which the share of smaller amount was derived. The resolution by which any sub-division is effected may determine that as between the holders of the resulting shares (but subject and without prejudice to any rights for the time being attached to the shares of any special class) one or more of such shares be given such preference, advantage, restriction or disadvantage as regards dividend, capital, voting or otherwise over the others or any other such shares as the resolution shall prescribe.

Subject to any direction by the Company by ordinary resolution, whenever as the result of any consolidation or sub-division and consolidation of shares members of the Company are entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they shall determine, and in particular may sell the shares to which members are so entitled in fractions for the best price reasonably obtainable (including, subject to the Statutes, the Company) and pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof (subject to retention by the Company of amounts not exceeding £3 per member the cost of distribution of which would be disproportionate to the amounts involved). For the purpose of giving effect to any such sale the Directors may nominate some person to execute or otherwise effect a transfer of the shares sold on behalf of the members so entitled to the purchaser thereof and may cause the

name of the purchaser to be entered in the Register as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

11 Reduction of capital and purchase of own shares

Subject to the provisions of Article 12, the Company may from time to time:

11.1 by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner authorised, and with and subject to any incident prescribed or allowed, by the Statutes; and

11.2 purchase its own shares (including any redeemable shares).

12 Conditions re: reduction of capital and purchase of own shares

12.1 Anything done in pursuance of either Articles 10 or 11 shall be done in the manner provided, and subject to any conditions imposed, by the Statutes and the following provisions of this in Article 12, so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same and so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient.

12.2 The Company shall not enter into any contract for the purchase of shares in its own equity share capital unless such purchase has previously been sanctioned by an ordinary resolution passed at a separate meeting of the holders of any class of securities issued by the Company which are listed and convertible into shares in the capital of the Company which are of the same class as those proposed to be purchased. The provisions of Article 7 shall apply for the purpose of any such separate meeting.

12.3 Neither the company nor the board shall be required to select the shares to be purchased rateably, or in any particular manner, as between the holders of shares of the same class, or as between them and the holders of shares of any other class, or in accordance with the rights as to dividends or capital conferred by any class of shares.

SHARES

13 Prohibition of financial assistance for purchase of own shares

Except as prohibited by, and subject to the provisions of, the Statutes, the Company may give financial assistance directly or indirectly for the purpose of the acquisition by any person of shares in the capital of the Company (or of its holding company, if any) either before or at the same time as the acquisition takes place or (where such an acquisition has taken place) for the purpose of reducing or discharging any liability incurred by any person for the purpose of any such acquisition (whether by such a person or by any other person)

14 Commissions

In addition to all other powers of paying commissions, the Company may at any time and from time to time exercise the power conferred by section 553 of the Act (but subject to the limit and requirements stipulated by that section) to pay a commission to any person in consideration of this subscribing or agreeing to subscribe (whether absolutely or conditionally) or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any share in the capital of the Company. Subject to the provisions of the Statutes and to the provisions of the AIM Rules, any such commission may be paid in cash or satisfied by the allotment of fully or partly paid shares in the capital of the Company or by the issue of warrants or options which, if exercised, will result in the Company being required to make

such an allotment, or partly in one way and partly in the other, as may be arranged. The Company may also on any issue of shares pay such brokerage as may be lawful.

15 **Power to allot share**

The Company may at any time and from time to time pass an ordinary resolution in accordance with section 551 of the Act referring to this Article and authorising the Directors to allot shares and, upon the passing of such ordinary resolution, the Directors shall thereupon and without further formality be generally and unconditionally authorised to exercise all the powers of the Company to allot shares provided that:-

- (i) the maximum amount of such shares that may be allotted shall be the sum specified in such ordinary resolution or, if no sum is specified in any such ordinary resolution, an amount equal to a sum equal to one-third in nominal value of the Company's issued ordinary share capital at the time such resolution is passed; and

15.1 any such authority shall, unless it is (prior to its expiry) duly revoked or varied or is renewed, expire on the date immediately prior to the fifth anniversary of the date on which such ordinary resolution is passed (or on such earlier date as may be specified in such ordinary resolution) save that the Company shall be entitled, before such expiry, to make an offer or agreement which would or might require shares to be allotted after such expiry.

The Company shall comply with the requirements of sections 29, 30 and 36 of the Act (dealing with the registration of copies of certain resolutions and agreements) with regard to any such ordinary resolution.

16 **Exclusion of pre-emption rights**

The Company may at any time and from time to time resolve by a special resolution referring to this Article that the Directors be empowered to allot equity securities for cash and upon such special resolution being passed the Directors shall, subject to them being generally authorised to allot shares for the purposes of section 549 of the Act and Article 5 at the time such special resolution is passed, thereupon and without further formality be empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to any such authority as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited to:-

16.1 allotment for the purposes of or in connection with, an offer (by any person) of equity securities to the holders of the issued ordinary shares in the capital of the Company where the securities respectively attributable to the interests of such holders are proportionate (as nearly as may be and subject to such exclusions or other arrangements as the Directors may consider appropriate, necessary or expedient to deal with any fractional entitlements or with any legal or practical difficulties arising under the laws of any territory or the requirement of any regulatory body or stock exchange or otherwise) to the respective numbers of ordinary shares held by such shareholders; and

16.2 the allotment (otherwise than pursuant to Article 16.1) of shares, or other equity securities (as defined in section 560 of the Act) giving the right to subscribe for or convert into relevant shares, all such relevant shares having an aggregate nominal value not exceeding the sum specified in such special resolution (and so that, if no sum is specified in any such special resolution, the resolution shall be of no effect for the purposes of this Article 16.2),

and unless it is (prior to its expiry) duly revoked or varied or is renewed shall expire on the date immediately prior to the fifth anniversary of the date on which such resolution is passed or at such other date as may be specified in such special resolution save that the Company

shall be entitled, before such expiry, to make an offer or agreement which would or might require equity securities to be allotted after such expiry.

17 Renunciation of allotments

The Directors may at any time after the allotment of any share but before any person has been entered into the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose but so that the Directors may refuse to register any renunciation in favour of more than four persons jointly.

18 Non-recognition of trust

Except as required by these Articles or by law or by order of a court of competent jurisdiction and notwithstanding any information received by the Company pursuant to any provision of these Articles or any statutory provision relating to the disclosure of interests in voting shares or otherwise, no person shall be recognised by the Company as holding any such upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

19 Issue and execution of share certificates

Every share certificate shall be issued under the Seal or an official seal kept by the Company under section 50 of the Act or otherwise executed by the Company in accordance with the Statutes and the AIM Rules and shall specify the number and class and the distinguishing numbers (if any) of the shares to which it relates and the amount paid up thereon. Any such certificate which is executed otherwise than under seal may, if the Directors so determine, bear signatures affixed by some mechanical or other method or system of applying facsimile signatures. No certificate shall be issued representing shares of more than one class. Where the Company sends share certificates to shareholders or their agents by post, such share certificate shall be sent at the shareholders risk.

20 Joint holdings

20.1 The Company shall not be bound to register more than four persons as the joint holders of a share, except in the case of executors or trustees of a deceased member.

20.2 In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of joint holders shall be sufficient delivery to all.

21 Entitlement to and cancellation of certificates

Subject to the provisions of Articles 19 and 20, the Statutes and the AIM Rules and to any system for transferring title to securities without a written instrument which is authorised by the Statutes and the AIM Rules and adopted by the Directors (by virtue of the authority conferred on them pursuant to Article 22):-

21.1 Any person whose name is entered in the Register (except a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of whom the Company is not by law required to register and have ready for delivery a certificate or any other person who by law is not entitled to a certificate) in respect of any shares of any one class upon the allotment or transfer thereof shall be entitled without payment to a certificate therefore within the period specified by the Act;

- 21.2 where part only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge;
- 21.3 any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge;
- 21.4 if any member shall surrender for cancellation a share certificate representing shares held by him and request the company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit and upon payment of such reasonable out-of-pocket expenses as they shall determine, comply with such a request;
- 21.5 if a share certificate shall be worn out, damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares shall be issued to the holder upon request subject only to (a) delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity as the Directors may think fit and (b) if the Directors shall think fit, reimbursement of any exceptional out of pocket expenses incurred by the Company in connection with the request; and
- 21.6 in the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

22 **Uncertificated Securities**

- 22.1 Nothing in these Articles shall require title to any shares or other securities of the Company to be evidenced by a certificate if the Statutes and the AIM Rules (and/or the rules of any other recognised investment exchange upon which shares or other securities of the Company may be quoted or dealt in (as the case may be)) permit otherwise. No person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument by virtue of the AIM Rules.
- 22.2 The Directors are authorised (without further consultation with the holders of any shares or securities of the Company):-
- 22.2.1 to issue any shares or securities of the Company in uncertificated form; and/or
- 22.2.2 to convert any shares of securities into uncertificated forms and vice versa (subject always to the Statutes, the AIM Rules and/or the rules of any other recognised investment exchange upon which the shares of securities are quoted or dealt in and the facilities and requirements of the relevant system concerned)
- 22.3 The Company shall enter on the register how many shares are held by each member in uncertificated form and in certificated form and shall maintain the register in each case as is required by the AIM Rules and/or the relevant system concerned. Unless the Directors otherwise determine holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings.
- 22.4 A class of share shall not be treated as two classes by virtue only of that class comprising both certificated and uncertificated shares or as a result of any provision of these Articles or the AIM Rules which apply only in respect of certificated or uncertificated shares.

CALLS ON SHARES

23 Power to make calls

The Directors may, subject to the provisions of these Articles and to any relevant terms of allotment, from time to time make such calls upon the members in respect of all moneys unpaid on their shares (whether on account of nominal value of the shares or by way of premium) as they think fit, provided that no call on any share shall be payable within one month from the date fixed for the payment of the last call and that fourteen clear days' notice at least is given to each call, and each member shall be liable to pay the amount of each call so made upon him to the person and at the time and place specified by the Directors in the said notice. A call may be made payable by instalments. A call shall be deemed to have been made as soon as the resolution of the Directors authorising such call shall have been passed. A call may, at any time before receipt by the Company of the money due in respect thereof, be revoked or postponed in whole or in part as the Directors may determine. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

24 Liability of joint holders

Joint holders of a share shall be jointly and severally liable to pay all instalments and calls in respect thereof and any one of such persons may give effectual receipts for any return of capital payable in respect of such share.

25 Power of chargee to make calls

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital and to sue in the name of the Company or otherwise for the recovery of moneys (including any moneys under Article 26) becoming due in respect of calls so made and to give valid receipts for such moneys. The power so delegated may (if expressed so to be) be assignable.

26 Interest on unpaid calls

If a call or instalment payable in respect of a share is not paid on or before the day appointed for payment thereof, the person from whom the amount of the call or instalment is due shall pay interest on such amount (at such rate as may be fixed by the terms of issue of the share or, if no rate is so fixed, at such rate as the Directors may determine but not exceeding without the consent of the Company by ordinary resolution, the appropriate rate (as defined by sections 592 and 609 of the Act) for the time being in force) from the day appointed for the payment thereof to the time of actual payment. And shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment but the Directors shall have power to remit such interest, costs, charges and expenses or any part thereof. No dividend or other payment or distribution in respect of any such share shall be paid or distributed and no other rights which would otherwise normally be exercisable in accordance with these Articles may be exercised by a holder of any such share so long as any such sum or interest or expenses payable in accordance with this Article in relation thereto remains outstanding.

27 When call duly made and payable

Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date and any instalment of a call shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment thereof, and in case of non-payment the provisions of these Articles as to payment of interest and expenses and forfeiture, and all the other relevant provisions of the Statutes and these Articles shall apply as if such sum or instalment were a call duly made and notified as hereby provided.

28 **Differentiation of calls**

The Directors may from time to time on the issue of shares make arrangements so as to differentiate between the holders with regard to the number of calls to be paid on those shares and the times of payment.

29 **Payments in advance of calls**

The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys payable upon his shares (whether on account of the nominal value of the shares or by way of premium) beyond the sum or sums actually called up thereon, and upon all or any of the moneys so advanced the Directors may (until the same would, but for such advance, become presently payable) pay or allow such interest (not exceeding, without the consent of the Company by ordinary resolution, the appropriate rate (as defined by sections 592 and 609 of the Act) for the time being in force) as may be agreed upon between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

LIEN ON SHARES

30 **Company's lien on partly paid shares**

The Company shall have a first and paramount lien and charge on every share which is partly paid for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article.

31 **Power of directors to sell shares over which Company has a lien**

For the purpose of enforcing such a lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such manner as the Directors shall think fit on such member or the persons (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for fourteen clear days after such notice.

32 **Application of sale proceeds**

The net proceeds of any such sale after payment of the costs thereof shall be applied in or towards satisfaction of the amount due, and the residue (if any) shall (upon surrender to the Company for cancellation of any certificate(s) in respect of the shares sold) be paid to the member or the person (if any) entitled by transmission to the shares; provided always that the Company shall be entitled to such a lien upon that residue in respect of any moneys due to the Company but not presently payable as it had upon the shares immediately before the sale thereof.

33 **Registration of purchaser as the holder of the shares**

Upon any such sale as aforesaid, the Directors may authorise some person to execute or otherwise effect a transfer of the shares sold to the purchaser in the name and on behalf of the registered holder thereof or the persons (if any) entitled by transmission to the shares and may enter the purchaser's name in the Register as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by any irregularity or invalidity in, the proceedings or be bound to see to the application of the purchase money, and after his name has been entered into the Register the validity of the sale shall not be

impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

FORFEITURE OF SHARES

34 Notice requiring payment of unpaid calls

If any member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call or instalment, or any part thereof, remains unpaid, serve a notice on him requiring him to pay the same, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

35 Contents of notice of forfeiture

The notice shall name a further day (being not less than seven days after the date of service of such notice) on or before which such call, or such part thereof as aforesaid, and all such interest, costs, charges and expenses as aforesaid, are to be paid. It shall also name the place where payment is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

36 Forfeiture on non-compliance with notice

If the requirement of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments, interest, costs, charges and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.

37 Forfeiture to include dividends

A forfeiture of shares under Article 36 shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Forfeiture of all such dividends shall be deemed to occur at the time of passing of the resolution of the Directors.

38 Notice of forfeiture

When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the person who before such forfeiture was the holder of the share, or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

39 **Power to deal with forfeited shares**

Subject to the provisions of the Statutes every share which shall be forfeited shall thereupon become the property of the Company, no voting rights shall be exercised in respect thereof and the Directors may within three years after such forfeiture sell, re-allot or otherwise dispose of it, either to the person who was before forfeiture the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the directors shall think fit, and whether with or without all or any part of the amount previously paid on the share being credited as paid. The Directors may authorise some person to transfer a forfeited share to any other person. Any share not disposed of in accordance with the foregoing provisions of this Article within a period of three years from the date of its forfeiture shall at the expiry of such period be cancelled in accordance with the Act.

40 **Cancellation of forfeiture**

Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before a forfeited share has been sold, re-allotted or otherwise disposed of or cancelled, permit the forfeiture to be annulled upon the payment of all calls and interest due upon and costs, charges and expenses incurred in respect of the share, upon any further or other terms they may think fit.

41 **Liability to pay all calls made prior to forfeiture**

A member whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company forthwith all calls and instalments, interest and expenses owing on or in respect of such shares at the time of forfeiture, with interest thereon from the time of forfeiture to the date of payment at such rate and in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture.

42 **Effect of forfeiture on claims against the Company in respect of those shares**

The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the member whose share is forfeited and the Company or any other members(s), except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

43 **Statutory declaration conclusive of forfeiture**

A statutory declaration in writing that the declarant is a director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the time when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated and such declaration, together (subject to the provisions of the Statutes and any procedures lawfully implemented by the Company pursuant thereto) with a duly sealed certificate of proprietorship of the share delivered to a purchaser or allottee thereof, shall (subject to the execution or other implementation of any necessary transfer) constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such purchase or allotment, and shall not be bound to see the application of the purchase money, if any, nor shall his title to the share be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

44 **Surrender in lieu of forfeiture**

The Directors may accept the surrender of any share which they are in a position to forfeit. The same consequences shall flow from the surrender of such a share as if such share had been effectively forfeited by the Directors, in particular, any share so surrendered may be disposed of in the same manner as a forfeited share.

TRANSFER OF SHARES

45 **Form and notice of transfer**

45.1 Except as may be provided by these Articles, all transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors or by any other method which is authorised by the Statutes and the AIM Rules and approved or adopted by the Directors. Any such instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

45.2 Notwithstanding a member's obligation to notify the Company of specified interest in shares pursuant to part 22 of the Act, any person who acquires or disposes of, directly or indirectly, any shares where the proportion of shares held directly or indirectly by that person following that transaction exceeds or falls below the threshold of at least five percent or any multiple of five percent of all issued shares of the Company, must notify the Company in such form as the Directors or the Exchange may from time to time prescribe within two Business Days from the date of the transaction of the total number of shares held by that person following the acquisition or disposal. For the purpose of this Article 45.2, an indirect acquisition or disposal shall include an acquisition or disposal of shares held by another person with whom the acquirer or disposer of the shares has a pooling agreement, shareholders agreement or other arrangement and pursuant to which acts in concert or co-ordination with in relation to the shares.

46 **Suspension of registration of transfers**

Subject to the Statutes and the AIM Rules, the registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register shall not be closed for more than thirty days in any year and notice of such closure shall be given by advertisement in accordance with the Statutes.

47 **Directors' power to decline to register transfers**

47.1 The Directors may in their absolute discretion and without assigning any reason therefor refuse to register or authorise the registration of any transfer of a share in any of the following circumstances:

47.1.1 if the share is not fully paid and the Company has a lien on the share, providing that the Directors do not exercise their discretion so as to prevent dealings in the share from taking place on an open and proper basis; or

47.1.2 where:-

47.1.2.1 a notice has been duly served in respect of the share pursuant to section 793 of the Act or any other provision of the Statutes concerning the disclosure of interests in voting shares; and

47.1.2.2 the share or shares which were the subject of that notice represented in aggregate at least 0.25 per cent. of that class of share; and

47.1.2.3 the person or persons on whom the notice was served failed to comply with the requirements of that notice within the period for compliance specified in the notice (being not less than 14 days from the date of service thereof) and remains in default in complying with such notice

unless the transfer in question is a permitted transfer.

For the purposes of this Article, a transfer of a share is a permitted transfer if:-

- a) it was effected pursuant to a sale made through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's issued shares are normally traded; or
- b) it was effected pursuant to an acceptance of a take-over offer (as defined in section 974 of the Act); or
- c) the Directors are satisfied that it was effected pursuant to a bona fide sale of the entire beneficial ownership of the share to a person or persons unconnected with the transfer and with any other person or persons appearing to be interested in the share (the provisions of Article 86.1 being deemed to apply for the purposes of this Article; or

47.1.3 if the transfer is of a share or shares (whether fully paid or not) in favour of more than four persons jointly; or

47.1.4 if the share is not listed or otherwise dealt in on a recognised investment exchange and is not fully paid up.

47.2 If the Directors refuse to register or authorise the registration of a transfer which is effected by a written instrument they shall within two months after the date on which the instrument was lodged with the Company or its registrars send to the transferee notice of the refusal. If and for so long as any procedures for enabling title to securities to be evidenced and transferred without a written instrument are lawfully implemented by the Company pursuant to the Statutes, the Directors shall give such notice of any such refusal and within such period as in either case may be required by those procedures or the Statutes:

47.2.1 If and for so long as a person is in default in complying with such a notice as is referred to in Article 47.1.2, the consequences of such default under that Article shall also apply (but with effect from allotment) to any additional share allotted after service of the notice in right of the shares which were the subject of the notice (including without limitation, any share allotted pursuant to a rights issue or a bonus issue) as if such additional share had also been the subject of the notice.

47.2.2 For the purposes of Articles 47.1.2 and 47.2.1, a person shall be deemed to be in default in complying with such a notice as is referred to in those Articles if he fails or refuses to give all the information required by the notice to the satisfaction of the Directors or if he gives information which he knows to be false or if he recklessly gives information which is false.

48 **Further discretion not to recognise an instrument of transfer**

48.1 In addition and without prejudice to their rights under Article 47 the Directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office (or at such other place as the Directors may from time to time determine) accompanied by the relevant share certificate(s) (save as stated later in this Article) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). Subject thereto and to the provisions of Article 47 the Directors shall register any instrument of transfer submitted to them for registration unless forbidden to do so by law. In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, the lodgement of share certificates will not be necessary unless and to the extent that certificates must by law have been issued in respect of the shares in question.

48.2 References in this Article 48 to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system concerned relating to the transfer of such shares. Such provisions shall apply only to the extent the same are consistent with the AIM Rules (and/or the rules of any other recognised investment exchange upon which shares of the Company are quoted or dealt in).

49 **Retention of instruments of transfer by the Company**

All instruments of transfer which are registered may be retained by the Company. Any instrument of transfer which the Directors refuse to register shall (except in the case of fraud) be returned to the person lodging it when notification of the refusal is given. Subject to these Articles, the Company may destroy (a) all instruments of transfer of shares and other supporting documents which have been registered at any time after the expiration of six years from the date of registration, (b) all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording and (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim in respect of which the document may be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer which was so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document referred to above so destroyed was a valid and effective document in accordance with the recorded particulars in the books of the Company. Nothing in this Article shall be construed as imposing any liability on the Company in respect of the destruction of any such documents earlier than provided above or in any case where the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document includes references to its disposal in any manner.

50 **No fee payable for registration**

No fee shall be charged by the Company in respect of the registration of any transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

51 **Renunciation of allotments**

Nothing contained in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

52 Transmission on death

In the case of the death of a member the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in his shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

53 Notice of election for registration or transfer

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided), upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either elect to be registered himself as holder of the share by giving to the Company notice in writing of such election or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed or otherwise effected by such member.

54 Rights of person entitled to a share

A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) be entitled to receive and may give a discharge for the same dividends and other moneys payable on or in respect of the share as to those to which he would be entitled if he were the registered holder of the share but he shall not be entitled in respect thereof to receive notice of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise or enjoy any right or privilege conferred by membership of the Company until he shall have been registered as a member in respect of the share. The Directors may at any time give notice requiring any such person as aforesaid to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty day after service thereof, the Directors may thereafter withhold payment of all dividends and other moneys payable on or in respect of the share until the requirements of the notice have been complied with.

CONVERSION OF SHARES INTO STOCK

55 Power to convert and reconvert

The Company may, from time to time, by ordinary resolution, convert all or any of its fully paid up shares into stock of the same class as the shares so converted and may from time to time, in like manner, reconvert any such stock into fully paid up shares of the same class and of any denomination.

56 Transfer of stock

When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein, or any part of such interests, in such manner as the Company may by ordinary resolution direct or, in default of any such direction, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might before conversion have been transferred, or as near thereto as circumstances will admit, but the Company may by ordinary resolution, or in default of such a resolution, the Directors may, if they think fit, from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum (provided that any such minimum shall not, without the sanction of an ordinary resolution of the Company, exceed the nominal amount of the shares from which the stock arose) and may prescribe that stock is to be divided and transferable in units of corresponding amount but with power to waive such requirements and restrictions in any particular case.

57 Rights of stockholders

The several holders of stock shall be entitled to participate in the dividends and profits of the Company according to the class of such stock and the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends, profits and assets of the Company, shall be conferred by any such amount of stock as would not, if existing in shares have conferred such privilege or advantage.

GENERAL MEETINGS

58 Annual general meetings

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

59 Power to call general meetings

The Directors may call a general meeting whenever they think fit and shall in any event do so when and in the manner required by section 656 of the Act (which relates to the obligation of the Directors to convene a general meeting in the event of serious loss of capital), and general meetings shall also be convened on such requisition, or in default may be convened by such requisitions, as provided by the Statutes. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum for a meeting of the Directors, any director or any two members of the Company may convene a general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

60 Periods of notice for general meetings and persons entitled to notice

60.1 An annual general meeting and any general meeting shall be called by such notice as provided by the Act. Notice of every general meeting shall be given in the manner hereinafter mentioned to all members (other than such as are not under the provisions of these Articles or the terms of issue of all the shares they hold entitled to receive such notices from the Company), the Directors, the Auditors and the Exchange.

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

60.2.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat.; and

60.2.2 in the case of a general meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than such minimum percentage in nominal value of the shares giving that right as the Act may prescribe at the time such meeting is held.

60.3 The accidental omission to give notice or to send a form of proxy with a notice (where the same is required by these Articles) to or the non-receipt of such notice or form of proxy by any person entitled thereto shall not invalidate the proceedings at any general meeting.

61 Contents of notice

61.1 Every notice calling a general meeting or a meeting of any class of members of the Company shall specify the meeting as such and shall also specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend, and on a poll, vote instead of him and that a proxy need not be a member of the Company.

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

61.3 In the case of any general meeting at which business other than ordinary business is to be transacted, the notice shall specify the general nature of such business, and if

any resolution is to be proposed as an ordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

62 **Meaning of ordinary business**

Ordinary business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:

- 62.1 declaring dividends;
- 62.2 receiving and considering the annual accounts of the Company, the reports of the Directors and the Auditors and other documents required by law to be attached or annexed thereto or to be comprised therein;
- 62.3 appointing the Auditors (except when special notice of the resolution for such appointment is required by the Statutes) and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed;
- 62.4 appointing or re-appointing directors to fill vacancies arising at the meeting either on retirement by rotation or under Article 112 or otherwise; and
- 62.5 the voting of fees to the Directors.

63 **Circulation of resolutions etc on requisition of members**

The Directors shall on the requisition of members in accordance with the Statutes, but subject as therein provided:-

- 63.1 give to the members entitled to receive notice of the next annual general meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- 63.2 circulate to the members entitled to have notice of any general meeting, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

64 **Quorum**

No business shall be transacted at any general meeting unless a quorum is present. Subject to the provisions of Article 65, two members present in person or by proxy (or, being a corporation, present by a representative duly appointed pursuant to Article 93) and entitled to vote upon the business to be transacted shall be a quorum.

65 **Adjournment if quorum not present**

If within fifteen minutes from the time appointed for the holding of a general meeting (or such longer time as the chairman of the meeting may think fit to allow) a quorum is not present or during the meeting, a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such day and at such time and place as the chairman of the meeting may determine (notice of such adjourned meeting being given in accordance with Article 67). At such adjourned meeting a quorum shall be two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote. If at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting or if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice in writing of any meeting adjourned through lack of a quorum and such notice shall state the quorum requirement.

66 General power of adjournment

- 66.1 The chairman of any general meeting of the Company may take such action as he considers appropriate to permit the orderly conduct of the business of the meeting as set out in the notice of the meeting. The chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) to another time or place where it appears to him that:-
- 66.1.1 the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or
 - 66.1.2 the conduct of persons present prevents or is likely to prevent the orderly continuation of business; or
 - 66.1.3 an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 66.2 Without prejudice to any other power of adjournment which he may have under these Articles or at common law, the chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors.

67 Notice of adjourned meeting

When a meeting is adjourned pursuant to Articles 65 and 66 for 14 days or more or sine die, not less than seven clear days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting specifying the date, time and place of the adjourned meeting and the general nature of the business to be transacted and, in the case of an adjournment pursuant to Article 65, the notice shall specify the quorum applicable to that adjourned meeting as stated in such Article. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

68 Chairman of meeting

The chairman (if any) of the Directors, failing whom the deputy chairman (if any) of the Directors, shall preside as chairman at each general meeting. If there be no such chairman or deputy chairman, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall choose one of their number to be chairman of the meeting, or if not director present or if all the directors present fail to agree which of their number should take the chair or if each of them declines to take the chair, the members present and entitled to vote shall (whether or not they constitute a quorum) choose one of their number to be chairman of the meeting.

69 Security procedures

- 69.1 The Directors may direct that members or proxies for members who wish to attend any general meeting shall submit to such searches and/or comply with such security arrangements or restrictions as in each case the Directors shall, in their absolute discretion, consider appropriate and may, in their absolute discretion, refuse entry to such general meeting to any member, representative or proxy or proxies for a member who fails to comply with any such direction.

69.2

- 69.2.1 In the case of any general meeting the Directors may, notwithstanding the specification in the notice of the place of the general meeting (the "Principal Place") at which the chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by members; representatives and proxies entitled to attend the meeting but excluded from the Principal Place under the provisions of this Article 69.2. Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the Principal Place and the other places provided that they shall operate so that any members, representatives and proxies excluded from attendance at the Principal Place are able to attend at one of the other places. For the purpose of all of the provisions of these Articles any such meeting shall be treated as being held and taking place at the Principal Place.
- 69.2.2 The Directors may, for the purpose of facilitating the organisation and administration of any general meeting to which arrangements made under this Article 69.2 apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to offer to all members, representatives and proxies entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any member, representative or proxy to attend the meeting at the Principal Place shall be subject to such arrangements as may be for the time being in force whether stated in the notice of the meeting to apply to that meeting or notified to the members concerned subsequent to the provision of the notice of the meeting.

70 **Voting and demands for a poll**

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll) duly demanded by:-

- 70.1 the chairman of the meeting; or
- 70.2 not less than five members present in person or by proxy and entitled to vote; or
- 70.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- 70.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right,

and, for the purposes of the foregoing, a demand by a proxy pursuant to Article 81 shall be deemed to be a demand by the person appointing the proxy.

A demand for a poll may be withdrawn with the consent of the chairman and any demand so withdrawn shall not be taken to have invalidated any result of a show of hands made before the demand was made.

71 **Declaration of result of voting and conduct of a poll**

Unless a poll is required, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost or not carried by a

particular majority, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

72 Chairman's casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the votes to which he may be entitled as a member or as a representative or as a proxy of a member.

73 Time for taking a poll

A poll demanded on the election of a chairman of a general meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 28 days from the date of the meeting) and place as the chairman of the meeting may direct. No notice need be given of a poll not taken immediately provided that the time and place at which it is to be taken was announced at the meeting at which it was demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

74 Voting rights of members

74.1 Subject to any restrictions imposed by or pursuant to these Articles and to any special rights, restrictions or prohibitions as regards voting for the time being attached to any special class of shares in the capital of the Company, on a show of hands every member personally present (or, being a corporation, present by a duly appointed representative) shall have one vote only, and in case of a poll every member present in person or by proxy shall (subject as hereinafter provided) have one vote for every share in the capital of the company held by him.

74.2 If:-

74.2.1 any objection shall be raised to the qualification of any voter; or

74.2.2 any votes have been counted which ought not to have been counted or which might have been rejected; or

74.2.3 any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or the error occurred. Any such objection or error made in due time shall be referred to the chairman of the meeting (unless the vote objected to was given or tendered in connection with the resolution for the election, re-election or removal of the chairman of the meeting whether as such chairman or as a director of the Company) and shall only vitiate the decision of the meeting on any resolution or the poll if the chairman decides that the same may have affected the decision of the meeting or the poll. The decision of the chairman (save in connection with such a resolution specified above) shall be final and conclusive.

74.3 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of the resolution proposed as a special or ordinary resolution no amendment to it (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

75 Voting rights of persons under disability

A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person (by whatever name called) may, on a poll, vote by proxy provided that evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Transfer Office not less than forty eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

76 Voting rights of joint holders

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

77 Powers to appoint a proxy

On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

78 Form of instruments of proxy

78.1 An instrument appointing a proxy shall be in the form set out in section 327 of the Act; and:-

78.1.1 in the case of an individual shall be signed by the appointor or by his attorney; and

78.1.2 in the case of a corporation shall be given under its common seal or otherwise executed by it in accordance with the Statutes or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

78.2 Forms of instrument of proxy shall be sent by the Company to all persons entitled to notice of to attend and vote at any meeting, and shall provide for voting both for and against all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting.

79 Deposit of proxy

An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly certified copy of such power or authority (or, if such power or authority was executed outside the United Kingdom, a notarially authenticated copy thereof) must either be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting or in any instrument of proxy

issued by the Company therewith (or, if no place is so specified, at the Transfer Office) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll at which it is to be used or in the case of a poll taken subsequently to the meeting or adjourned meeting, not less than twenty four hours before the time appointed for taking the poll, and (save as otherwise provided in this Article) unless so deposited the instrument of proxy shall not be treated as valid. Where the poll is not taken during or immediately following the meeting at which it was demanded but is taken less than forty-eight hours after such demand, be delivered at such meeting either to the chairman of the meeting or to the Secretary or to any of the Directors, and in default shall be not treated as valid provided that (except as and to the extent stated to the contrary thereon) an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require to be delivered again for the purposes of any subsequent meeting to which it relates and (except as aforesaid) any instrument of proxy so delivered in respect of any meeting or meetings shall be valid in respect of any adjournment thereof and any poll demanded thereat and shall not require to be delivered again for the purpose thereof. The deposit or delivery of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment thereof or on any poll demanded at the same. When two or more valid but differing instruments of proxy are deposited or delivered in respect of the same share for the use at the same meeting, the one which is deposited or delivered with the Company (in accordance with the provisions of this Article) last in time (regardless of its date or the date of execution) shall be treated as replacing and revoking any others as regards that share and if the Company is unable to determine which of any two or more valid but differing instruments of proxy was so deposited or delivered last in time, none of them shall be treated as valid in respect of that share.

80 Time limit on validity of proxy

No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution or, if undated, the date of its receipt by the Company except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within that period of twelve months.

81 Authority conferred by proxy

An instrument appointing a proxy shall be deemed to give authority for that proxy to demand or join in demanding a poll and generally to act at the meeting for the member making the appointment but no proxy may as such speak at any meeting or adjourned meeting (save to demand or join in demanding a poll) unless otherwise permitted by the chairman thereof.

82 Power to appoint an attorney

Any member may by power of attorney appoint any person to be his attorney for the purpose of voting at any meeting or given a general power extending to all meetings at which such member is entitled to vote. Every such power or a duly certified copy or (if such power was executed outside the United Kingdom) a notarially authenticated copy of such power shall be produced at the Transfer Office and left there for at least forty eight hours before being acted upon.

83 Validity of votes cast by proxy

A vote given in accordance with the terms of an instrument of proxy or power of attorney shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or power of attorney or of the authority under which the appointment was made, or the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Transfer Office (or, in the case of an instrument of proxy, such other place as is specified for depositing that instrument) one hour at least before the time fixed for holding the meeting or adjourned meeting or for the taking of the poll at which the proxy is used.

DISENFRANCHISEMENT

84 Circumstances in which shares disenfranchised

Subject to the provisions of the Statutes, no holder of a share in the Company shall, unless the Directors otherwise determine (any such determination being for such period and subject to such terms and conditions (if any) as the Directors may, in their absolute discretion, decide), be entitled (save as proxy for another member) to be present or vote at a general meeting or separate general meeting either personally or by proxy or to exercise any other right in relation to meetings of the Company in respect of that share if:-

84.1 any call or such other sum as is presently payable by him to the Company in respect of that share remains unpaid; or

84.2 he or any other person who appears to be interested in that share has been duly served, pursuant to section 793 of the Act or any other provision of the Statutes or these Articles concerning the disclosure of interests in voting shares, with a notice which:

84.2.1 lawfully requires the provision to the Company within such period as is specified in such notice (being not less than 14 days from the date of service of such notice) of information regarding that share; and

84.2.2 contains a warning of the consequences under this Article 84 and under the provisions of Articles 47.1.2 and 147 of failing to comply with such notice

and he or such other person is in default in complying with such notice; or

84.3 he has been duly served with a notice which:

84.3.1 requires him to provide or procure the provision to the Company within such period as is specified in such notice (being not less than 14 days from the date of service of such notice) of a written statement signed by him or any other person or persons stating that he (if the statement is signed by him) or (as the case may be) the other person or persons who has / have signed the statement is /are the beneficial owner(s) of that share and providing such other information (if any) regarding that share as may be required by such notice pursuant to Article 89; and

84.3.2 contains a warning of the consequences under this Article 84 of failing to comply with such notice

and (whether or not he is aware of the identity of the beneficial owner(s) of that share)he is in default in complying with such notice; or

84.4 he has failed to comply with the provisions of Article 45.2 in which event the period of disenfranchisement shall commence on the date on which his shareholdings shall become know to the Company.

Nothing contained in these Articles shall prejudice or affect the rights of the Company to apply to the Court for an order under section 794 of the Act and in connection with such an application or intended application or otherwise to require information on shorter notice than the prescribed period, being not less than 14 days from the date of such notice.

85 **Persons deemed to be interested in shares**

For the purposes of Article 84.2:-

85.1 a person shall be treated as appearing to be interested in a share either where the member holding such share has informed the Company that he is, or may be, so interested, or where he has given to the Company a notification pursuant to Article 84.2 which fails to establish the identity of the person or persons interested in such share and (after taking into account the said notification and any other relevant information given to them) the Directors know or have reasonable cause to believe that the person in question is or may be interested in such share; and

85.2 other than in respect of an interest in shares as referred to in Article 45.2, references to persons interested in shares and to interests in shares respectively shall be construed as they are for the purposes of section 793 of the Act.

86 Extension of disenfranchisement to rights issue shares and person deemed to be in default

86.1 If and for so long as a person is in default in complying with such a notice as is referred to in Articles 84.2 and 84.3, the consequences of such default under Article 84 shall also apply (but with effect from allotment) to any additional share allotted after service of the notice in right of the shares which were the subject of the notice (including, without limitation, any share allotted pursuant to a rights issue or a bonus issue) as if such additional share had also been the subject of the notice.

86.2 For the purposes of Articles 84.2, 84.3 and 86.1, a person shall be deemed to be in default in complying with such a notice as is referred to in those Articles if he fails or refuses to give all the information required by the notice to the satisfaction of the Directors or if he gives information which he knows to be false or if he recklessly gives information which is false.

87 Disenfranchisement may apply to only part of a member's holding

Where a person holds more than one share in the Company or more than one share of a particular class, any notice given pursuant to Articles 84.2 or 84.3 may relate to all of such shares or to such lesser number of them as is described or stated in the notice.

88 Signature of statements on behalf of body corporate

Any statement provided to the Company pursuant to Article 84.2 or 84.3 shall, for the purposes of those Articles, be deemed to have been signed by a body corporate if signed by a duly authorised officer who is described in such statement as signing it on behalf of that body corporate.

89 Right to require additional information

Any notice served on the holder of a share pursuant to Article 84.3 may require that, where the statement to be provided to the Company pursuant to that notice reveals that the beneficial owner of that share is a body corporate ("the corporate owner"), the statement shall also provide the following information:-

89.1 whether any other body corporate is a holding company (within the meaning of section 1159 of the Act) or a parent company (within the meaning of section 1162 of the Act) of the corporate owner and, if so, the name and address of each such holding or parent company; and

89.2 whether any body corporate or other person (other than any such holding or parent company) is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of the corporate owner and, if so, the name and address of each such person.

90 When disenfranchisement ceases to apply

Where the disenfranchisement provisions of Article 84 are applicable with regard to a particular share, they shall cease to be applicable to that share upon:-

90.1 the call or such other sum as is referred to in Article 84.1 being paid in respect of that share and received by the Company; or

90.2 the information and/or statement requested in respect of that share by notice(s) referred to in Article 84.2 and/or 84.3 being provided to the Company to the satisfaction of the Directors; or

- 90.3 in the case of disenfranchisement pursuant to Article 84.4 the date which is the later of (i) six months after the commencement of the period stated in Article 84.4 or (ii) the day following the next annual general meeting of the Company; or
- 90.4 the date as on and from which the Directors determine (pursuant to Article 84) that such provisions shall cease to be applicable to that share; or
- 90.5 the expiry of the period of seven days commencing on the date of receipt by the Company at the Transfer Office of a bona fide notice of the sale of that share through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's issued shares are normally traded or as a result of an acceptance of a take-over offer (which shall mean an offer to all of the holders, or to all of the holders other than the offeror and his nominee, of shares in the Company to acquire such shares or a specified proportion or number thereof or to all of the holders, or to all of the holders other than the offeror and his nominee, of a particular class of those shares to acquire the shares of that class or a specified proportion or number thereof)

as the case may be and (in the case of Article 90.2 to 90.5 inclusive) whichever shall first occur.

91 Registration of information received

For the purposes of section 808 of the Act (relating to registration of interests disclosed under section 793), any information received by the Company pursuant to any notice served on a member pursuant to Article 84.3 shall be deemed to have been received by it in pursuant of a requirement imposed on that member under section 793 of the Act.

92 Cancellation of notices

Any notice issued under Articles 84.2 or 84.3 may be cancelled at any time.

CORPORATIONS ACTING BY REPRESENTATIVES

93 Representation of corporate members

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meeting of the Company or of any class of members thereof; and (except as otherwise provided in these Articles) such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands. A certified copy of such resolution shall be deposited at the Transfer Office not less than forty eight hours before the time appointed for holding the meeting or first meeting at which the person so authorised is to act, or in the case of a poll taken subsequent to the meeting or first meeting, not less than twenty four hours before the time appointed for the taking of the poll, and unless such certified copy of such resolution is so deposited the authority granted by such resolution shall not be treated as valid. Where certified copies of two or more valid but differing resolutions authorising any person or persons to act as the representative of any corporation pursuant to this Article at the same meeting in relation to the same share are deposited at the Transfer Office, the resolution, a certified copy of which is deposited with the Company (in accordance with this Article) last in time (regardless of the date of such certified copy and the date upon which the resolution set out there was passed) shall be treated as revoking and replacing all other such authorities as regards that share but if the Company is unable to determine which of any such two or more valid but differing resolutions was the one so deposited last in time, none of them shall be treated as valid in respect of that share. The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof deposited with the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used as well as at such meeting. A corporation which is a member of the Company may authorise more than one person to act as its representative pursuant to this

Article in respect of any meeting or meetings and such a member who holds different classes of shares may authorise one or more different persons for each class of share held.

- 94 All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every separate general meeting of the holders of any class of share in the Company, except as provided in Article 7 when the provision of this Article shall apply.

DIRECTORS

95 Number of directors

Subject to the provisions of Article 110 the Directors shall not be less than four nor more than 15 in number. At least two Directors shall be Independent Directors.

96 Directors' share qualification and rights re: general meetings

A director shall not be required to hold any shares in the Company by way of qualification but a director who is not a member of the Company shall be entitled to receive notice of and to attend and speak at all general meetings of the Company and any class of members of the Company

97 Fees of non-executive directors

Fees may be paid out of the funds of the Company to directors who are not managing or executive directors or alternate directors at such rates as the Directors may from time to time determine provided that such fees do not in the aggregate exceed the sum of £150,000 per annum (exclusive of value added tax if applicable) or such other figure as the Company may by ordinary resolution from time to time determine.

98 Reimbursement of expenses

The Directors (including alternate directors) shall also be entitled to be paid out of the funds of the Company all their travelling, hotel and other expenses reasonably and properly incurred by them respectively in and about the business of the Company, including their reasonable expenses of travelling to and from meetings of the Directors, committee meetings or general meetings.

99 **Payment of additional remuneration in special circumstances**

Any director who devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a director, may be paid such additional remuneration as the Directors or any committee appointed by the Directors may determine.

100 **Power of directors to hold office of profit and contract with the Company**

100.1 A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine, and subject to the provisions of the Statutes and the AIM Rules, no director or intending director shall be disqualified by his office from entering into any contract, arrangement, transaction or proposal with the Company either with regard to his tenure of any other such office or place of profit or as a vendor, purchaser or otherwise, nor shall any such contract, arrangement, transaction or proposal or any contract, arrangement, transaction or proposal entered into by or on behalf of the Company in which any director or any person connected with him is in any way interested (whether directly or indirectly) be liable to be avoided, nor shall any director who enters into any such contract, arrangement, transaction or proposal or who is so interested be liable to account to the Company for any profit realised from any such contract, arrangement, transaction or proposal by reason of such director holding that office or of the fiduciary relationship thereby established, but his interest shall be disclosed by him in accordance with the Statutes, these Articles and the AIM Rules.

100.2 Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director, provided that nothing herein contained shall authorise a director or his firm to act as auditor of the Company.

Any director may continue to be or become a director of, or hold any other office, employment or place of profit under, or be or become a member of, any other company in which the Company may be interested, and (unless otherwise provided by his terms of service) no such director shall be accountable for any remuneration, salary, profit or other benefits received by him as a director of, or holder of any other office, employment or place of profit under, or member of, any such other company. The Directors may exercise the voting powers conferred by the shares in any company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors of or holders of any such office, employment or place of profit under such company, or voting or providing for the payment of remuneration to the directors of or holders of any such office, employment or place of profit under such company).

MANAGING AND EXECUTIVE DIRECTORS

101 Appointment of directors to executive offices

The Directors or any committee appointed by the Directors in accordance with these Articles may from time to time appoint one or more of their number to any executive office or employment in the Company (including, but without limitation, that of chief executive officer or managing director) for such period and on such terms as they or any committee appointed by the Directors think fit and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company) and may also authorise any person appointed to be a director to continue in any executive office or employment held by him before he was so appointed but no service contract or contract for services shall be granted by the Company to any director or proposed director except in accordance with the Statutes.

102 Remuneration etc of directors appointed to executive offices

The remuneration and other terms and conditions of appointment of a director appointed to any executive office or employment under the Company shall from time to time (without prejudice to the provisions of any agreement between him and the Company) be determined by the Directors (having regard to any recommendation of any remuneration committee established for such purpose), and may (without limitation) be by way of fixed salary, lump sum, commission on the dividends or profits of the Company (of of any other company in which the Company is interested) or other participation in any such profits or otherwise or by any or all or partly by one or partly by another or others of those modes.

103 Applicability of retirement by rotation provisions to executive directors

A director holding any executive office or employment under the Company including that of chief executive officer shall not (by reason only thereof) be exempt from retirement by rotation, and his tenure of such executive office or employment shall not be determined by reason only of his ceasing for any reason to be a director, but (without prejudice to any claim he may have for compensation or damages for breach of any agreement between him and the Company and subject to the provisions of any such agreement) may be determined at any time thereafter by resolution of the Directors.

104 Delegation to directors holding executive offices

The Directors may from time to time, entrust and confer upon a director appointed to any executive office or employment pursuant to Article 101 such of the powers exercisable under these Articles by the Directors (other than the power to make calls, forfeit shares, borrow money or issue debentures) as they may think fit, and may confer such powers for such time and, to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions, as they may consider expedient, and may confer such powers collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

105 Exclusion of age limit for directors

Any provisions of the Statutes which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a director or liable to vacate office as a director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any director over a specified age shall not apply to the Company save that, in the case of any general meeting at which a resolution is to be proposed to appoint or re-appoint as a director a person who is, or who will within the six months next following the date of the general meeting become, 70 years of age, the notice convening that meeting shall contain a statement to that effect. The accidental omission to insert such a statement shall not, however, invalidate the passing of the relevant resolution.

106 Vacation of office of a director

A director shall ipso facto cease to hold office as such in any of the following events, namely:

- 106.1 if he is prohibited by law from being or acting as a director or if he ceases to be a director by virtue of any provision of the Statutes; or
- 106.2 if (not being a person holding an executive office or employment under the Company) he shall resign by writing under his hand left at the Office or delivered to the Directors at a meeting of the Directors or to the Secretary or if (being such a person) he shall tender his resignation and the Directors shall resolve to accept the same; or
- 106.3 if he becomes bankrupt or he applies for an interim order pursuant to section 253 of the Insolvency Act 1986 or enters into any voluntary arrangement within the definition contained in that section or has an interim receiver appointed under section 286 of the Insolvency Act 1986 of all or any part of his property or any analogous acts; or
- 106.4 if he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960 or any similar statute in another jurisdiction; or
- 106.5 if in England or elsewhere an order shall be made by any court claiming jurisdiction in matters concerning mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver, curator bonis or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
- 106.6 if he shall be absent from meetings of the Directors for six successive months without leave and his alternate director (if any) shall not during such period have attended in his stead and the Directors shall resolve that his office be vacated; or
- 106.7 if he is removed from office in accordance with Article 111; or
- 106.8 if he is convicted of an indictable offence (or an offence which if committed in the UK would be defined as an indictable offence) in any jurisdiction and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director; or
- 106.9 if the conduct of a Director (whether or not concerning the affairs of the Company) is the subject of an investigation by an inspector appointed by the Secretary of State or by the Serious Fraud Office or similar body in any jurisdiction and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director; or
- 106.10 if he holds any executive office or employment under the Company and that office or employment with the Company is terminated for any reason; or

106.11 if by notice in writing delivered to the Office or tendered at a meeting of the Directors, his resignation is requested by all of the other directors without prejudice to any claims he may have for damages for breach of any contract of service between him and the Company.

107 Number of directors subject to retirement by rotation

At the annual general meeting in every year one-third of the directors for the time being (after excluding any director who is required to retire at that meeting pursuant to Article 112.1 or any other provision of these Articles and any director who by Article 102 or any other such provision is not required to retire by rotation pursuant to this Article) or, if their number is not a multiple of three, then the number nearest to one-third, but not exceeding one-third, shall retire from office and shall be eligible for re-election; provided always that if in any year there shall be only one director who is subject to retirement by rotation that director shall retire.

108 Selection of directors to retire by rotation

The directors to retire pursuant to Article 107 shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those of the other directors who are subject to retirement by rotation pursuant to the provisions of that Article for the purposes of the meeting in question and who have at the date of the meeting been longest in office since their last re-election or appointment, and so that as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director shall be eligible for re-election.

109 Resolution for the appointment of directors

109.1 A resolution for the appointment of two or more persons as directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

109.2 No person other than a director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a director at any general meeting unless not less than seven nor more than 42 days before the day appointed for the meeting there shall have been left at the Office or sent to the Secretary notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. The notice shall give the particulars in respect of that person that would be required (if he were elected) to be included in the Company's register of Directors.

110 Power to alter limits on the number of directors

The Company may by ordinary resolution from time to time increase or reduce any limits on the number of directors specified in Article 95 and may also determine in what rotation such increased or reduced number is to go out of office and may make any appointments required for making any such increase.

111 Removal of directors

The Company may, in accordance with and subject to the provisions of the Statutes, remove any director from office notwithstanding any provision of these Articles or any agreement between the Company and such director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other director is to retire by rotation pursuant to Article 107 as if he had become a director on the day on which the director in whose place he is

appointed was last elected or re-elected a director. In default of such appointment the vacancy arising upon the removal of a director from office may be filled as a vacancy pursuant to the provisions of Article 112.

112 Directors' power to appoint additional directors to fill casual vacancies

112.1 The Directors shall have power at any time and from time to time to appoint any person to be a director either to fill a vacancy or as an additional director but so that the total number of directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with Article 95. Any director appointed by the Directors shall retire from office at the next annual general meeting and shall then be eligible for election by the members; he shall not be taken in to account in determining the number of directors who are to retire by rotation at such meeting but shall be deemed to have retired at the meeting for the purposes of Article 113.

112.2 Without prejudice to Article 112.1 or Article 119 but subject to the provisions of Article 109, the Company may from time to time by ordinary resolution appoint any person or persons to be a director of the Company either to fill a vacancy or as an additional director.

113 Re-election or replacement of retiring directors

The Company at the meeting at which a director retires under any provision of these Articles may fill the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default the retiring director shall be deemed to have been elected or re-elected (as the case may be) except in any of the following cases:-

113.1 where at such meeting it is expressly resolved not to fill up such vacated office or a resolution for the election or re-election of such director is put to the meeting and lost; or

113.2 where such director has given notice in writing to the Company that he is unwilling to be elected or re-elected; or

113.3 where the default is due to the moving of a resolution in contravention of Article 109.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring director or a resolution for his election or re-election is put to the meeting and lost and accordingly a retiring director who is elected or re-elected or deemed to have been elected or re-elected will continue in office without a break.

ALTERNATE DIRECTORS

114 Power to appoint alternate directors and their status

114.1 Any director (other than an alternate director) may at any time appoint any other director or any other person approved by the Directors to be his alternate director and may at any time terminate such appointment. Any such appointment or termination shall be in writing and shall be effective upon delivery at the Office or at a meeting of the Directors.

114.2 Any person appointed as an alternate director shall vacate his office as such alternate director if and when the director by whom he has been appointed vacates his office as director otherwise than by retirement and re-election at the same meeting and upon the happening of any event which, if he were a director, would cause him to vacate such office.

114.3 An alternate director shall be entitled to receive notices of all meetings of the Directors and shall be entitled to attend and vote as a director at any such meeting at which the

director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director; at any such meeting he shall have one vote for each director for whom he acts as alternate director (in addition to his own vote if he is himself a director) but he shall count as only one for the purpose of determining whether a quorum be present. To such extent as the Directors may from time to time determine in relation to any committees appointed by the Directors the foregoing sentence shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. If his appointor is temporarily unable to act through ill-health or disability, an alternate director's signature to any resolution in writing of the Directors or of a committee appointed by the Directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purpose of these Articles.

- 114.4 An alternate director shall be entitled to hold any office or place of profit or to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct. An alternate director shall not be required to hold any shares in the Company by way of qualification.
- 114.5 Every person acting as an alternate director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the director appointing him.
- 114.6 An alternate director shall not be required to hold any shares in the Company and shall not be counted in reckoning any maximum number of Directors permitted by these Articles.

PROCEEDINGS OF DIRECTORS

115 Conduct of board meetings

- 115.1 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A director may, and the Secretary on the requisition of a director shall, at any time summon a meeting of the Directors. Any director may waive notice of any meeting and any such waiver may be retrospective.
- 115.2 Notice of meetings of the Directors shall be deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at any other address given by him to the Company for this purpose or where no such address has been given, to his last known home address.
- 115.3 All or any of the Directors or members of any committee appointed by the Directors may participate in a meeting of the Directors or that committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any person participating in a meeting in this manner shall be deemed to be present in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

116 **Quorum for a board meeting**

The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two of whom one may be an alternate director not being himself a director. A duly convened meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Directors.

117 **Declaration of directors' interests in contracts**

A director who is in any way, whether directly or indirectly and whether for himself or through a person connected with him, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature of his interest in accordance with the Statutes.

118 **Restrictions on a director's power to vote where he has an interest**

118.1 Subject to Article 118.3, if a meeting of directors, or part of a meeting of directors, is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.

118.2 But if Article 118.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in a decision at a meeting of directors, or part of a meeting of directors, relating to it for quorum and voting purposes.

118.3 This Article 118.3 applies in relation to the following matters:-

118.3.1 the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings or its parent company (if any) or any other subsidiary undertakings of any such parent company; or

118.3.2 the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or

118.3.3 an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings or its parent company (if any) or any other subsidiary undertakings of any such parent company for subscription or purchase in which offer he is or is to be or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate; or

118.3.4 any other company in which he or any person connected with him is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he and any person connected with him are not to his knowledge the holder (otherwise than as a nominee for the Company or any of its subsidiary undertakings or its parent company (if any) or any other subsidiary undertakings of any such parent company) of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); or

- 118.3.5 an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- 118.3.6 the purchase and/or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.
- 118.4 For clarity, a director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any Office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.
- 118.5 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in such cases each of the directors concerned (if not debarred from voting under the proviso to Article 118.2.4) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 118.6 Subject to Article 118.7, if any question shall arise at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any director (other than himself) shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned has not been fully disclosed.
- 118.7 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.
- 118.8 For the purposes of this Article an interest of the person who is, for any purpose of the Act (excluding any such modification thereof not in force when these Articles became binding on the Company) connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director otherwise has.
- 118.9 A general notice given to the Board that a director is to be regarded as having an interest to the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent that is specified.
- 118.10 An interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

119 **Powers of directors to act notwithstanding reduction below minimum number**

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

120 **Appointment of chairman**

The Directors may elect from their number a chairman of their meetings and one or more deputy chairmen and determine the period for which each is to hold office. If no chairman or deputy chairman shall have been elected, or if at any meeting neither the chairman nor a deputy chairman is present within five minutes after the time appointed for holding the same, the directors present may choose one of their number to be chairman of the meeting.

121 **Resolution in writing**

A resolution in writing signed or (whether by letter, telex, facsimile transmission or otherwise in writing) approved by all the Directors (or by all the members of a committee appointed by the Directors) entitled to vote on such resolution (provided that the number thereof would be sufficient to form a quorum for a meeting of the Directors) shall be as effective as a resolution passed at a meeting of the Directors or of such committee (as the case may be).

122 **Appointment of and delegation of powers to committees**

The Directors may from time to time appoint committees consisting of such member or members of their body as they think fit, and may delegate any of their powers to any such committee (with power to sub-delegate) and may from time to time revoke any such delegation and discharge any such committee wholly or in part. Any committee appointed by the Directors shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Directors.

123 **Proceedings of committees**

The meetings and proceedings of any such committee consisting of two or more directors shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under Article 121.

124 **Validity of acts of directors**

All acts done by the Directors or by a committee appointed by the Directors or by any person held out by the Company to be a director shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any director or person held out as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and had continued to be a director and had been entitled to vote.

BORROWING POWERS

125 **General power of directors to exercise the Company's borrowing powers**

Subject to the provisions of Article 126 the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property, assets and uncalled capital or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or its holding company (if any) or any subsidiary of the Company or its holding company or of any third party.

126 **Restrictions on borrowing powers of directors**

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (which expression in this Article and Article 128 means and includes the Company and

all its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to three times the Adjusted Capital and Reserves as hereinafter defined. The certificate of the Auditors for the time being as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding upon all concerned.

127 Protection of third parties if restrictions on borrowing powers breached

No person dealing with the Company or any of its subsidiaries shall by reason of the provisions of Article 126 be concerned to see or inquire whether the limit referred to therein is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or the security was given express notice that the limit hereby imposed had been or would thereby be exceeded.

128 Meaning of borrowing

For the purpose of Article 126:-

- 128.1 there shall be deemed, subject as hereinafter provided, to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):-
- 128.1.1 the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;
 - 128.1.2 the outstanding amount of the acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;
 - 128.1.3 the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group;
 - 128.1.4 the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which, or borrowed moneys the indebtedness in respect of which, is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed or wholly or partly secured by any member of the Group; and
 - 128.1.5 any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account;
- 128.2 moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account;
- 128.3 any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by any successor to the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department or non-governmental successor fulfilling a similar function or other like institution carrying on a similar business shall be deemed not to be borrowed moneys;

- 128.4 moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion and for the purposes aforesaid “minority proportion” shall mean the proportion of the issued equity share capital of the partly-owned subsidiary which is not attributable to the Company;
- 128.5 borrowed moneys of any member of the Group expressed in or calculated by reference to a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:-
- 128.5.1 at the rate of exchange specified in a forward purchase contract, currency option, back-to-back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in rates of exchange in respect of repayment of those moneys (a “hedging agreement”); or
- 128.5.2 if repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:-
- 128.5.2.1 the rate of exchange used for the conversion of that currency in the relevant balance sheet, or
- 128.5.2.2 if no rate was used, the middle-market rate of exchange quoted by Barclays Bank Plc at the close of business in London on the date of the relevant balance sheet; or
- 128.5.2.3 if it would result in a lower figure the middle-market rate of exchange quoted by Barclays Bank Plc at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made;
- 128.6 the expression “Adjusted Capital and Reserves” shall mean at any material time a sum equal to the aggregate of:-
- 128.6.1 the amount paid up or credited as paid up (excluding any premium) on the issued share capital of the Company; and
- 128.6.2 the aggregate amount standing to the credit of the consolidated capital and revenue reserves of the Company and its subsidiaries whether distributable or undistributable (including, without limitation, any share premium account, capital redemption reserve, property revaluation reserve and profit and loss account) all as shown by the then latest audited accounts of those companies but after:-
- 128.6.2.1 excluding any sums set aside for taxation (including deferred taxation);
- 128.6.2.2 making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date, and so that for this purpose share capital allotted or unconditionally agreed to be allotted shall be deemed to have been issued and share capital already called up or payable at any fixed future date within the following six months shall be treated as already paid up and if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and

the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months after the date of allotment) shall, to the extent so underwritten, be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

- 128.6.2.3 making such adjustments as may be appropriate in respect of any distributions declared, recommended or made by the Company or its subsidiaries (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary (as the case may be) to the extent that such distribution is not provided for in such balance sheet;
- 128.6.2.4 making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries since the date of the latest audited balance sheet of the Company;
- 128.6.2.5 if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary, making all such adjustments as would be appropriate if such transaction had been carried into effect;
- 128.6.2.6 excluding minority interests in subsidiaries;
- 128.6.2.7 eliminating all amounts (if any) attributable to goodwill or otherwise attributable to intangible assets shown as such on consolidation;
- 128.6.2.8 excluding such part of the interests of the Company or a subsidiary in an Associated Company (as defined below), not being a subsidiary, as shall be attributable to any post-acquisition undistributed profits and reserves but including such interests at original cost or, if lower, book value; and
- 128.6.2.9 after making such other adjustments (if any) as the Auditors may consider appropriate.

For the purpose of the above definition "Associated Company" means any company or partnership which shall be treated by the Auditors as an associated company or partnership for the purpose of any Statement of Standard Accounting Practice for the time being in issue relating to accounting for the results of associated companies published by the Accounting Standards Board or other relevant regulatory body.

- 128.7 The Directors shall be deemed not to be in breach of the provisions of Article 128 by reason of the borrowing restriction being exceeded immediately after and as a result of any new audited consolidated balance sheet being laid before the members in general meeting when immediately prior to such general meeting the borrowing restriction had not been exceeded by reference to the immediately preceding audited consolidated balance sheet but in such circumstances the Directors shall ensure that by not later than three months after the date of such general meeting the Company has sanctioned such excess borrowing by ordinary resolution or the aggregate amount of borrowed moneys remaining outstanding has been reduced to an amount not exceeding the borrowing restriction.

128.8 Notwithstanding any other provision of this Article 128 to the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and if in consequence the limit imposed by this Article is inadvertently exceeded an amount of borrowings equal to the excess may be disregarded until the expiration of three months after the date on which, by reason of a determination of the Auditors or otherwise, the Directors become aware that the said limit has been inadvertently exceeded as aforesaid.

GENERAL POWERS OF DIRECTORS

129 Management of the business

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Statutes or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company by special resolution, but no regulation so made by the Company nor of these Articles shall invalidate any prior act of the Directors which would have been valid if such regulation or alteration had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

130 Power to establish local boards etc

The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors (other than their power to make calls, forfeit shares, borrow money or issue debentures) with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. The Directors may exercise all the powers of the Company under section 49 of the Act (relating to an official seal for use abroad) and under section 129-135 of the Act (relating to the keeping of overseas branch registers).

131 Appointment of attorneys

The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Director under or pursuant to these Articles) and for such period and subject to such conditions as the Directors may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may remove any person appointed under this Article and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

132 **Signature of cheques, bills etc**

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

133 **Establishment of pension or benefit schemes, clubs, funds etc**

133.1 The Directors may exercise all powers of the Company to:-

133.1.1 establish or concur or join with other companies (being subsidiary undertakings of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, annuities, sickness or compassionate allowances, life assurance benefits, donations, gratuities or other benefits for employees (which expression as used in this Article shall include any director who may hold or have held any office or place of profit) and ex-employees of the Company and of any such other companies and their wives, husbands, widows, widowers, relatives, families or dependants, or any class or classes of such persons

133.1.2 pay, enter into agreements to pay or make grants (revocable or irrevocable and either subject or not subject to any terms or conditions) of pensions or other retirement, superannuation, death or disability benefits to employees and ex-employees and their wives, husbands, widows, widowers, relatives, families or dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or any such persons are or may become entitled under any such scheme or fund as aforementioned. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement; and

133.1.3 procure the establishment and subsidy of or subscription to an support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid, or its members, and payments for or towards the insurance of any such person as aforesaid, and subscriptions or guarantees of money for charitable or benevolent object or for any exhibition or for any public, general or useful object.

133.2 The Directors may also sanction the exercise of any power conferred upon the Company by section 247 of the Act (relating to the making of provision for employees on cessation or transfer of business).

SECRETARY

134 **Appointment of secretary**

The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. If thought fit, two or more persons may be appointed as joint secretaries.

135 **Appointment of assistant or deputy secretary**

The Directors may at any time and from time to time appoint any person to be an assistant or deputy secretary of the Company and anything authorised or required by these Articles or by

law to be done by or to the Secretary may be done by or to any such assistant or deputy secretary. Any assistant or deputy secretary so appointed may be removed by the Directors.

136 Restrictions where director and secretary are one and the same

A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a director and the Secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place, of the Secretary.

THE SEAL

137 Formalities re: use of the seal

In addition to its powers under section 44-45 of the Act, the Company may have a seal and if so, the Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee appointed by the Directors and authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed autographically by one director and the Secretary, or some other person appointed by the Directors for the purpose, or by two directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some mechanical or other method or system of applying facsimile signatures.

AUTHENTICATION OF DOCUMENTS

138 Persons with power to authenticate documents

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

RESERVES

139 Power to carry profits to reserve

Subject to the Statutes the Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute.

DIVIDENDS

140 Power to declare dividends

The Company may by ordinary resolution declare dividends but no dividend shall be payable except out of the profits of the Company available for distribution in accordance with the provisions of the Statutes, or in excess of the amount recommended by the Directors.

141 Apportionment of dividends

Subject to any rights or privileges for the time being attached to any shares in the capital of the Company have preferential or special rights in regard to dividend, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively otherwise than in advance of calls and so that all dividends shall be apportioned and paid pro rata according to the portion or portions of the period in respect of which the dividend is paid during which any such amount or amounts were paid up. Provided that if any share be issued upon terms providing that it shall rank for dividend as from or after a particular date, or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividend accordingly. Dividends may be paid or declared in any currency. The Directors may agree with any member that dividends which at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved

142 Power to pay interim dividends

If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half yearly or other dates prescribed for the payment thereof and subject thereto may also from time to time pay interim dividends of such amounts and on such dates as they think fit. If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequences of the payment of any interim dividend on any shares having non-preferred or deferred rights.

143 Share premium account

Subject to the provisions of and save as provided by the Statutes, if the Company shall issue shares at a premium, whether for cash or otherwise, the Directors shall transfer a sum equal to the aggregate amount or value of the premiums to an account to be called "Share Premium Account" and any amount for the time being standing to the credit of such account shall not be applied in the payment of dividends.

144 Interest

144.1 No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

144.2 All dividends shall belong and be paid (subject to any loan of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution of the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

144.3 The Board may pay the dividends payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

145 **Deduction of debts due to the Company**

The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.

146 **Retention of dividends and bonuses payable on shares over which the Company has a lien**

The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

147 **Retention of dividends and bonuses where a section 793 notice has not been complied with**

Subject to the provisions of Article 149, the Directors may also retain any dividend or other moneys otherwise payable on or in respect of a share if:-

147.1 a notice has been duly served in respect of the share pursuant to section 793 of the Act or any other provision of the Statutes concerning the disclosure of interests in voting shares; and

147.2 the share or shares which were the subject of that notice represented in aggregate at least 0.25 per cent. of that class of shares; and

147.3 the person or persons on whom the notice was served failed to comply with the requirements of that notice within the period for compliance specified in the notice (being not less than 14 days from the date of service thereof) and remains in default in complying with such notice.

148 **When right of retention under Article 147 ceases**

148.1 Where any right of retention has arisen under the provisions of Article 147 with regard to a particular share, it shall cease to be applicable to that share (and so that, subject to the provisions of Article 149, any dividend or other moneys retained pursuant to the provisions of Article 147 in respect of that share shall again become payable) upon:-

148.1.1 the person or persons on whom the notice referred to in Article 147 was served ceasing to be in default in complying with such notice; or

148.1.2 the Directors deciding (in their absolute discretion) that such right of retention shall cease to be applicable to that share; or

148.1.3 the expiry of the period of seven days commencing on the date of receipt by the Company at the Transfer Office of a bona fide notice of the sale of that share through a recognised investment exchange or other recognised market or as a result of an acceptance of a take-over offer (which shall mean an offer to all of the holders, or to all of the holders other than the offeror and his nominees, of shares in the Company to acquire such shares or a specified proportion or number thereof or to all of the holders, or to all of the holders other than the offeror and his nominee, of a particular class of those shares to acquire the shares of that class or a specified proportion or number thereof),

as the case may be and whichever shall first occur.

148.2 If and for so long as a person is in default in complying with such a notice as is referred to in Article 147, the consequences of such default under that Article shall also apply (but with effect from allotment) to any additional share allotted after service

of the notice in right of the shares which were the subject of the notice (including, without limitation, any share allotted pursuant to a rights issue or a bonus issue) as if such additional share had also been the subject of the notice.

148.3 For the purposes of Article 147 and the foregoing provisions of this Article 148, a person shall be deemed to be in default in complying with such a notice as is referred to in those Articles if he fails or refuses to give all the information required by the notice to the satisfaction of the Directors or if he gives information which he knows to be false or if he recklessly gives information which is false.

149 **Unclaimed dividends**

All unclaimed and retained dividends may be invested or otherwise made use of by the Directors for the benefit of the Company as they shall think fit until the same be claimed or cease to be liable to retention pursuant to these Articles and so that the Company shall not thereby be constituted as a trustee in respect thereof and any dividend remaining unclaimed or retained in accordance with these Articles after a period of twelve years from the date such dividend becomes due for payment shall be forfeited and shall revert to the Company.

150 **Payment of dividends in specie**

With the sanction of an ordinary resolution of the Company any dividend may be paid and satisfied, either wholly or in part, by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, or partly in one way and partly in the other, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

151 **Receipts by joint holders**

If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

152 **Method of payment of cash dividends**

152.1 Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, warrant or similar financial instrument sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct or by bank or other funds transfer system as the directors may consider appropriate. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, or other monies payable by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system). Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or joint holders, or, if permitted by the Company, of such persons as the holder or joint holders may in writing direct. Every such cheque, warrant or transfer shall be made payable to or, in respect of shares in uncertificated form, credited to the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct. Payment of a cheque or warrant by

the banker upon whom it is drawn or (as the case may be) the debiting of the Company's account in respect of a bank or funds transfer or in respect of shares in uncertificated form, the making of a payment in accordance with the facilities and requirements of the relevant system concerned shall in each case be a good discharge to the Company. Every such cheque, warrant or transfer shall be sent at the risk of the person entitled to the money represented thereby.

152.2 Without prejudice to the generality of the foregoing, if any such cheque or warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the persons entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of all out of pocket expenses of the Company in connection with the request as the Directors may think fit.

153 **Right to stop sending dividend cheques or warrants by post**

Notwithstanding the provisions of Article 152 or any direction given to the Company pursuant thereto, the Company may stop sending dividend cheques or warrants by post in relation to a share if:-

153.1 dividend cheques or warrants have been sent by post and returned undelivered or left uncashed for a period of at least six months on two consecutive occasions; or

153.2 a dividend cheque or warrant has been sent by post to the registered address of the member or other person entitled to the dividend on that share, and returned undelivered or left uncashed for a period of at least six months and thereafter reasonable enquiries have failed to establish any new address of such member or person.

If the Company exercises the right conferred upon it by the foregoing provisions of this Articles, it shall not be required to use any other method of paying dividends on the share in question but, subject to the provisions of these Articles, shall recommence sending cheques or warrants (or using another method of payment) in respect of dividends on that share if the member or other person entitled to the dividend claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

154 **Power to specify record dates**

Any resolution declaring or resolving to pay a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that such dividend shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and in such event such dividend shall be payable to them in accordance with their respective holdings so registered notwithstanding any subsequent transfer or transmission of such shares, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to capitalisations to be effected in pursuant to Article 156.

SHARES IN LIEU OF DIVIDEND

155 **Power to offer shares in lieu of dividend**

155.1 The Directors may, with the sanction of an ordinary resolution of the Company, offer the holders of ordinary shares in the capital of the Company from time to time thereafter the right to elect to receive in respect of all or part of their holding of such ordinary shares, additional ordinary shares in the Company, credited as fully paid, instead of cash in respect of all or part of such dividend or dividends and (subject to the following provisions of this Article) upon such terms and conditions and in such manner as may be specified in such ordinary resolution and otherwise as the Directors may determine. Any such resolution may specify a particular dividend

and/or all or any dividends (or any part of such dividends) declared or paid within a specified period but no such period may end later than the end of the fifth annual general meeting next following the date on which such ordinary resolution is passed.

- 155.2 When any such right of election is to be offered to the holders of ordinary shares from time to time pursuant to this Article, the Directors shall make such offer to such holders from time to time in writing (conditionally, if the necessary ordinary resolution has yet to be passed, upon such resolution being passed) and shall make available to or provide such holders with forms of election (in such form as the Directors may approve) whereby such holders may exercise such right and shall notify such holders of the procedure to be followed and of the place at which, and the latest date and time by which duly completed forms of election must be lodged in order to be effective.
- 155.3 Each holder of ordinary shares who elects to receive additional ordinary shares in the Company under a right offered to him pursuant to this Article shall be entitled to receive such whole number of additional ordinary shares as is as nearly as possible equal in value (calculated on the basis of the Market Value of an additional ordinary share in the Company) to (but not in excess of) the cash amount (disregarding any tax credit) that such holder would otherwise have received by way of dividend. For the purpose of this Article, the "Market Value" of an additional ordinary share in the Company shall be equal to the average of the middle market quotations for an ordinary share in the Company on AIM (or any other recognised investment exchange on which ordinary shares in the Company may be traded) on such five Business Days as the Directors shall determine (save that the first of such dealing days shall be on or after the day when the issued ordinary shares in the Company are first quoted "ex" the relevant dividend) or to the nominal value of an ordinary share in the Company (whichever is the higher).
- 155.4 Following an election by holders of ordinary shares in accordance with this Article, the relevant dividend (or that part of a dividend in respect of which a right of election has been offered) shall not be payable on the ordinary shares in respect of which the election was made but, in lieu thereof, the Directors shall capitalise out of any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or out of any sum standing to the credit of the Company's share premium account or capital reserves (including any capital redemption reserve), as the Directors may determine, a sum equal to the aggregate nominal value of the number of additional ordinary shares required to be allotted to the holders of ordinary shares who have made such election and shall apply such sum in paying up in full such number of additional ordinary shares and shall allot and distribute the same to and amongst such holders on the basis set out in Article 155.3 save that the foregoing provisions of this paragraph shall be subject to any right of the Directors under these Articles to retain any dividend or other moneys payable on or in respect of any share or shares of a particular member.
- 155.5 The additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares in the Company then in issue save that they shall not be entitled to participate in the dividend in relation to which the relevant election was made.
- 155.6 The Directors may at their discretion make any rights of election offered pursuant to this Article subject to such exclusions or arrangements as they may consider necessary or expedient to deal with any legal or other difficulties which would or may otherwise arise under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory.
- 155.7 The Directors may make such provision as they think fit for any fractional entitlements including provisions whereby fractional entitlements are retained and accumulated on behalf of any holder of ordinary shares and such retained entitlements are applied in the allotment of fully paid ordinary shares by way of bonus to such holder or cash subscription of fully paid ordinary shares on such holder's behalf.

- 155.8 The Directors may do such acts and things which they consider necessary or expedient to give effect to any such election to receive shares in lieu of dividends in accordance with this Article.

CAPITALISATION OF PROFITS AND RESERVES

156 Power to capitalise profits and reserves

The Directors may with the authority of an ordinary resolution of the Company:-

- 156.1 subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital reserves;
- 156.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full any unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other but the share premium account, the capital redemption reserve, and any reserves which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
- 156.3 resolve that any shares allotted under this Article to any member in respect of a holding by him of any partly paid ordinary share shall, so long as such ordinary shares remain partly paid, rank for dividends only to the extent that such partly paid ordinary shares rank for dividend;
- 156.4 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this Article 156 in fractions;
- 156.5 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made (whether or not in writing) under such authority being binding on all such members; and
- 156.6 generally do all acts and things required to give effect to such resolution as aforesaid;
- 156.7 do such acts and things which they consider necessary or expedient to give effect to any such capitalisation as is described in this Article and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and any incidental matters and any agreements so made shall be binding on all concerned.

MINUTES AND BOOKS

157 Requirements re: minutes

The Directors shall cause minutes to be made in books to be provided for the purpose:-

157.1 of all appointments of officers made by the Directors;

157.2 of the names of the directors present at each meeting of the Directors and of any committee appointed by the Directors; and

157.3 of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees appointed by the Directors,

and any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such appointments were made, or such directors were present, or such resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company or the Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts therein stated.

158 Requirements re: registers

The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges and in regard to keeping a register of members, a register of directors and secretaries, a register of charges, a register of directors' interests and a register for recording information relating to interests in the share capital of the Company, and to the production and furnishing of copies of or extracts from such registers, and in regard to keeping and making available for inspection copies and memoranda of directors' service contracts.

159 Form of registers

Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

160 Compliance with Statutes

The Directors shall cause the Company to comply with the provisions of the Statutes with regard to the keeping of accounting records.

161 Rights to inspect books

The accounting records shall be kept at the Office, or at such other place within Great Britain as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors.

162 Presentation of accounts etc. to members

The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

163 **Rights to receive copies of accounts**

A printed copy of every balance sheet and profit and loss account which is to be laid before a general meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever any of the shares, debentures or other securities of the Company are listed or otherwise quoted or dealt in on AIM or any other recognised investment exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITORS

164 **Compliance with Statutes**

The provisions of the Statutes as to the appointment, powers, rights, remuneration and duties of the Auditors shall be complied with.

The Auditors' report to the members made pursuant to the statutory provisions as to audit shall be laid before the Company in general meeting and shall be open to inspection by any member, and in accordance with the Statute every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and Auditors' report.

165 **Validity of acts of auditors**

Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

166 **Auditors' entitlement re: general meetings**

The Auditors shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive, and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors.

NOTICES

167 **Service of notices**

167.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice convening a meeting of the Board or of a committee of the Board need not be in writing.

167.2 The Company may deliver notice or document (including a share certificate) to a shareholder:-

167.2.1 by sending it by post or other delivery service in an envelope (with postage or delivery paid) to the address recorded for the shareholder on the register (such delivery having deemed to be effected on the next Business Day (or, where second class mail is employed, or where air mail is employed, 2 Business Days)) after the time when the cover containing

the same is posted (save that, if the foregoing provisions of this sentence would otherwise result in a notice or other document being deemed to have been served or delivered on a Sunday or a Bank or Public Holiday in the UK, such service or delivery shall be deemed to be effected at 9.00 a.m. on the next following day which is not a Bank or Public Holiday) and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.;

167.2.2 by electronic mail (except a share certificate) to an address notified by the shareholder in writing (such delivery having deemed to be made at the time it was sent); or

167.2.3 by a website (except a share certificate) the address of which shall be notified to the shareholder in writing (such delivery having deemed to be made at the time the material was first made available on the website, or if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website).

167.3 This article does not affect any provision in the Statutes, the AIM rules or the Articles requiring notices or documents to be delivered in a particular way.

168 **Notices to joint holders**

In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.

169 **Death or bankruptcy of a member**

A person entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, upon supplying also an address for the service of notices) be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any member in pursuant of these Articles shall, notwithstanding that such member be then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

170 **Attendance at meeting to signify receipt of notice**

Any member present, either personally or by proxy, at any meeting of the Company or class of members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

171 **Suspension of postal services**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper circulating in the UK and disclosed through the publication means designated by the Exchange from time to time and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addressed throughout the United Kingdom again become practicable.

172 **Notice by advertisement**

Any notice required to be given by the Company to members and not expressly provided for by these Articles or the Statutes, shall be sufficiently given if given by advertisement. Any notice required to be or which may be given by advertisement pursuant to this Article shall be advertised once in at least one national daily newspaper circulating in the UK and disclosed through the publication means designated by the Exchange from time to time and shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears.

173 **Record dates for service**

Any notice or other document may be served or delivered by the Company by reference to the Register as it stands at any time not more than 15 days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice or other document is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document but shall be bound by every notice (save as otherwise provided by these Articles) in respect of such shares which previously to his name and address being entered in the Register shall be duly given to the person from whom he derives his title to such shares.

174 **Signature of notice**

The signature to any notice to be given by the Company may be written or printed.

175 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register has been duly given to a person from whom he derives his title but shall not be bound by any such notice given by the Company under section 793 of the Act.

UNTRACED SHAREHOLDERS

176 **Members with no valid registered address need not to be sent notices etc**

In addition and without prejudice to the provisions of Article 153, where the registered address of any member or appears to the Directors to be incorrect or out of date such member may, if the Directors so resolve, be treated as if he had no registered address or address for service of notices or documents, and the Company will not thereafter be obliged to send to such member notices of meetings or copies of the documents referred to in Article 163 or any of them until he shall have supplied in writing to the Company a new registered address or address for the service of notices or documents; provided that no resolution as aforesaid shall be moved by the Directors until notices or other documents sent to the registered address or address for the service of notices or documents (as the case may be) of such member have been returned undelivered on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish a new address of such member.

177 **Power of the Company to sell shares of untraced members**

The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:-

177.1 for a period of twelve years no cheque or warrant sent by the Company through the post in a prepaid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been

received by the Company from the member or the person entitled by transmission;
and

- 177.2 no less than three dividend warrants have been sent by post to the address referred to in Article 177.1 in the twelve year period referred to in that Article; and
- 177.3 the Company has at the expiration of the said period of twelve years by advertisement in both a national daily newspaper circulating in the UK and in a newspaper circulating in the area in which the address referred to in Article 177.1 is located given notice of its intention to sell such share; and
- 177.4 the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and
- 177.5 the Company has first given notice in writing to the appropriate officer of AIM (or such other recognised investment exchange upon which shares or other securities of the Company may be quoted or dealt in) of its intention to sell such shares and complied with the requirements of that exchange in relation thereto (if any),

and if, during any twelve year period referred to in Article 177.1, further shares have been allotted in right of those held at the beginning of such period or of any previously allotted during such period and all requirements of Articles 177.3 to 177.5 inclusive have been satisfied in regard to such further shares, the Company may also sell those further shares.

Upon any such sale as aforesaid the Directors may appoint some person to execute or otherwise effect a transfer of the share or shares sold to the purchaser in the name and on behalf of the registered holder thereof or the person (if any) entitled by transmission to such share or shares and may enter the purchaser's name in the Register as holder thereof, and the purchaser shall not be bound to see the regularity or validity of, or be affected by any irregularity or invalidity in, the proceedings or be bound to see to the application of the purchase money, and after his name has been entered in the Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. The Company shall account to the member or other person entitled to such share for the net proceeds of such sale and shall be deemed to be his debtor and not a trustee for him in respect of the same. Any moneys not accounted for to the member or other person entitled to share shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

WINDING UP

178 Distribution of assets by liquidator

Subject to any special rights for the time being attached to any class of shares, on a return of assets on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be distributed in proportion to the amount paid up or deemed to be paid up on the shares of the Company then in issue.

179 Powers of liquidator

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an ordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members but so that if any such division shall be otherwise than in accordance with the existing rights of the members every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with section 110 of the Insolvency Act 1986. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trust for the benefit of the members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

DESTRUCTION OF DOCUMENTS

180 Circumstances in which the Company may destroy certain documents

180.1 The Company shall be entitled to destroy:-

- 180.1.1 all paid dividend warrants and cheques – at any time after the expiration of one year from the date of actual payment thereof;
- 180.1.2 all instruments of proxy which have been used for the purposes of a poll – at any time after the expiration of one year from the date of such use save that, in the case of proxies which are used for the purpose of a poll at an adjourned meeting as well as the original meeting, such period of one year shall commence on the date of the last such use;
- 180.1.3 all instruments of proxy have not been used for the purpose specified in Article 179.1.2 – at any time after one month from the end of the meeting (or any adjournment thereof) to which the instrument relates; and
- 180.1.4 any other document on the basis of which any entry in the Register has been made – at any time after the expiration of six years from the date on which an entry in the Register was first made in respect of it

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective document duly and properly cancelled, that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid.

180.2 The foregoing provisions of this Article 180 shall apply only to the destruction of a document in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant.

180.3 Nothing contained in this Article 180 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of Article 181.2 are not fulfilled.

180.4 References in this Article 180 to the destruction of any document include references to the disposal thereof in any manner.

SECRECY

181 **Members not entitled to information which the Board considers would be inexpedient to communicate to the public**

No member or general meeting or other meeting of members shall be entitled to require discovery of or any information respecting any detail of the Company's trading or the trading of any of its subsidiaries or any matter that is or may be in the nature of a trade secret or secret process, or that may relate to the conduct of the business of the Company or any of its subsidiaries which in the opinion of the Board it would be inexpedient in the interests of the Company to communicate to the public.

INDEMNITY

182 **Indemnity to directors and other officers**

182.1 Without prejudice to any indemnity to which the person concerned may be otherwise entitled, every director, alternate director, secretary or other officer or auditor of the Company shall be entitled to be indemnified by the Company against any liability (including any liability as is mentioned in section 533 of the Act) incurred by him in his capacity as a director:-

182.1.1 in defending any proceedings (whether civil or criminal) in which judgement is given in his favour or he is acquitted; or

182.1.2 in connection with any application under section 661(3) or (4) of the Act (acquisition of shares by innocent nominee) or section 1157 of the Act (general power to grant relief in case of honest and reasonable conduct) in which relief is granted to him by the court.

182.2 Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, every such officer of the Company as is referred to in Article 182.1 shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office.

182.3 Subject to the provisions of the Act, the Directors may purchase and maintain at the cost of the Company insurance cover for any such officer as is referred to in Article 182.1 and of any Company or body which is its holding company or in which the Company or such holding company has an interest whether direct or indirect or which is in any way allied to or associated with the Company or who were at any time trustees of any pension fund in which any employees of the Company or of any such other company or body are interested including (without prejudice to the generality of the foregoing) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust towards the Company or otherwise in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him in the actual or purported execution of his duties and/or in the exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other company, body or pension fund as an officer of the Company.

PART B

Provisions of the Memorandum of Association of the Company that are treated as Provisions of the Articles of Association of the Company under Section 28 of the Companies Act 2006

1. The Company's name is IQE Public Limited Company.
2. The Company is to be a public company.
3. The Company's registered office is to be situated in England and Wales.
4. The Company's objects are:
 - 4.1. to acquire and hold controlling and other interests in the share or loan capital of any company or companies and to provide financing, managerial and administrative advice, services and assistance for any company in which this company is interested and for any other company;
 - 4.2. to carry on any other trade or business whatever which can in the opinion of the board of directors be advantageously carried on in connection with or as being ancillary to any of the businesses or activities of the Company;
 - 4.3. to purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;
 - 4.4. to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire;
 - 4.5. to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any business which the Company is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;
 - 4.6. to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company;
 - 4.7. to invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined by the board of directors and to hold or otherwise deal with any investments made;
 - 4.8. to lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any

holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company) and to receive money on deposit or loan upon any terms;

- 4.9. to guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets, rights and revenues (present and future) and uncalled capital of the Company, or by both such methods or by any other means whatever, the performance of the liabilities and obligations of and the repayment or payment of any moneys
whatever by any person, firm or company, including (but not limited to):
 - 4.9.1. any liabilities and obligations whatever of, and the repayment or payment of any moneys whatever by, any company which is for the time being or is likely to become the Company's holding company or a subsidiary of the Company or another subsidiary of the Company's holding company or otherwise associated with the Company in business; and
 - 4.9.2. any liabilities and obligations incurred in connection with or for the purpose of the acquisition of shares in the Company or in any company which is for the time being the Company's holding company in so far as the giving of any such guarantee or other support or security is not prohibited by law; and
 - 4.9.3. the repayment or payment of the principal amounts of, and premiums, interest and dividends on, any borrowings and securities;
- 4.10. to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 4.11. to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- 4.12. to apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem to the board of directors to be calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem to such board to be calculated directly or indirectly to prejudice the Company's interests;
- 4.13. to enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem to the board of directors to be conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which such board may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions;
- 4.14. to subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world;
- 4.15. to control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all

kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem to the board of directors to be desirable with respect to any business or operations of or generally with respect to any such company or companies;

- 4.16. to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear to the board of directors to be likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- 4.17. to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the board of directors may think fit, and in particular (but without limitation) for shares, debentures, or securities of any company purchasing the same;
- 4.18. to act as agent or broker and as trustee or nominee for any person, firm or company, and to undertake and perform sub-contracts;
- 4.19. to remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise;
- 4.20. to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company;
- 4.21. to provide, and to establish and maintain or concur in establishing and maintaining trusts, funds, schemes, clubs or other arrangements (whether contributory or non-contributory) with a view to providing:
 - 4.21.1. pensions, insurances, allowances, gratuities, bonuses and incentives and benefits of every description including, but not limited to, retirement benefits schemes and/or life assurance schemes; and
 - 4.21.2. employees' share schemes (within the meaning of section 743 of the Companies Act 1985) including, but not limited to, profit sharing, share option and share purchase schemes,
- 4.22. to or for the benefit of officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company or of any predecessor in business of any such company or the dependants or relatives of any such persons; and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements;
- 4.23. to support (whether by direct subscription, the giving of guarantees or otherwise) any charitable, benevolent or educational fund, institution or organisation, or any event or purpose of a public or general nature, the support of which will or may, in the opinion of the board of directors, directly or indirectly benefit, or is calculated so to benefit, the Company or its business or activities or its officers, ex-officers, employees or ex-employees or the business, activities, officers, ex-officers, employees or ex-employees of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company or the officers, ex-officers, employees or ex-employees of any predecessor in business of the Company or any such company as aforesaid;

- 4.24. to purchase and maintain, for the benefit of any director (including an alternate director), officer or auditor of the Company or of any company which is the holding company, a subsidiary, or a fellow subsidiary of the Company, insurance against any liability as is referred to in section 3 10(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including an alternate director), officer or auditor and, subject also to the provisions of the Act, to indemnify any such person out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability;
- 4.25. to distribute among the members of the Company in kind any property of the Company of whatever nature;4.25 to procure the Company to be registered or recognised in any part of the world;
- 4.26. to do all or any of the things or matters aforesaid in any part of the world and either as principal, agent, contractor or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others;
- 4.27. to do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them;

AND so that:

- a) none of the objects set out in any of the preceding sub-clauses of this clause 4 shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this clause 4, or by reference to or inference from the name of the Company;
- b) none of the preceding sub-clauses of this clause 4 and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this clause 4 as though each such sub-clause contained the objects of a separate company;
- c) the word "company" in this clause 4, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
- d) in this clause 4 the expressions "holding company" and "subsidiary" shall have the meanings given to them respectively by section 736 of the Act and the expression "subsidiaries" shall include a subsidiary undertaking as defined by section 258 of the Act; and
- e) in this clause 4 the expression "the Act" means the Companies Act 1985, but so that any reference in this clause 4 to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision at the time this clause 4 takes effect.

The liability of the members is limited.