

THE COMPANIES ACT 2006 (as amended)

ISLE OF MAN

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

EXILLON ENERGY PLC

(amended by resolution passed 6 June 2012)

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A. Preliminary

1. Model articles not to apply

No regulations for management of a company set out in any statute concerning companies or contained in any regulations or instrument made pursuant to a statute shall apply to the Company. The following shall be the Articles of Association of the Company.

2. Interpretation

2.1 Definitions

In the Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

- "Act"** subject to Article 2.3 (Statutory provisions) the Companies Act 2006 and, where the context requires, every other statute from time to time in force concerning companies and affecting the Company;
- "adjusted capital and reserves"** as defined in Article 116.3 (Borrowing powers);
- "Admission"** admission of the issued Ordinary Shares to the Official List and to trading on the London Stock Exchange;
- "approved transfer"** in relation to any shares held by a member:
- (a) a transfer pursuant to the exercise of a power contained in the Act to acquire shares of a holder dissenting from a scheme or contract approved by a majority; or
 - (b) a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the shares to a person who is unconnected with any member and with any other person appearing to be interested in the shares including any such sale made through the London Stock Exchange. For the purpose of this sub-paragraph a connected person shall have the meaning ascribed by sections 252 to 255 of the UK 2006 Act, as applicable, and as they may apply from time to time;
- "Articles"** the Articles of Association as altered or varied from time to time (and **"Article"** means any provision of the Articles);
- "Auditors"** the auditors from time to time of the Company or, in the case of joint auditors, any one of them;

"Authorisation"	as defined in Article 4.1 (Power of the Directors to allot shares etc: authorisation by Company);
"balance sheet currency"	as defined in Article 116.4 (Borrowing powers);
"Board"	the board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present;
"British Isles"	the United Kingdom, the Isle of Man, the Republic of Ireland and the Channel Islands;
"business day"	a day (excluding Saturday) on which banks generally are open in the City of London for the transaction of normal banking business;
"certificated"	in relation to a share, a share which is recorded in the Register as being held in certificated form;
"Chairman"	the chairman (if any) of the Board from time to time or, where the context requires, the chairman of a general meeting of the Company;
"clear days"	(in relation to the period of a notice) that period, excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"communication"	includes a communication comprising sounds or images or both and a communication effecting a payment;
"Company"	Exillon Energy plc;
"Crest UK system"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the UK Uncertificated Securities Regulations 2001, as amended from time to time;
"Daily Official List"	the daily record setting out the prices of all trades in securities conducted on the London Stock Exchange;
"Deputy Chairman"	the deputy chairman (if any) of the Board from time to time or, where the context requires, the deputy chairman of a general meeting of the Company;
"Director"	a director for the time being of the Company;
"Disclosure and Transparency Rules"	the Disclosure Rules and Transparency Rules made by the FSA;
"disenfranchisement notice"	as defined in Article 83.1 (Disenfranchisement notices);

"dividend"	a distribution or a bonus other than a distribution paid in relation to a purchase or redemption of shares;
"elected Shares"	as defined in Article 145.1 (Authority to pay scrip dividends);
"electronic address"	any address or number used for the purposes of sending or receiving documents or information by electronic means (including, in the case of any uncertificated proxy instruction permitted pursuant to Article 79.2 (Deposit of proxy), an identification number of a participant in the relevant Uncertificated System concerned) used for the purposes of such communications;
"electronic means"	being sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data and is entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means;
"employees' share scheme"	means a scheme for encouraging or facilitating the holding of shares in or debentures of the Company by or for the benefit of: (i) the bona fide employees or former employees of the Company, any subsidiary of the Company or the Company's holding company or any subsidiary of the Company's holding company or (ii) the spouses, civil partners, surviving spouses, surviving civil partners, or minor children or step-children of such employees or former employees;
"equity share capital"	means in relation to a company, its issued share capital excluding any part thereof which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution;
"execution"	any mode of execution (and "executed" shall be construed accordingly);
"external capital"	as defined in Article 116.5 (Borrowing powers);
"first named holder"	as defined in Article 157.2 (Joint holders);
"FSA"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA;
"FSMA"	the UK Financial Services and Markets Act 2000;
"General Authorisation"	as defined in Article 4.2 (Power of the Directors to allot shares etc: authorisation by Company);
"group"	as defined in Article 116.3 (Borrowing powers);

"group undertaking"	as defined in Article 116.3 (Borrowing powers);
"hedging agreement"	as defined in Article 116.4 (Borrowing powers);
"holder"	(in relation to any share) the member whose name is entered in the Register as the holder or, where the context permits, the members whose names are entered in the Register as the joint holders of that share;
"holding company"	as defined in section 220 of the Act
"Information Notice"	means a notice served upon a member by the Board requiring such member to disclose to the Board in writing within such period (being not less than 10 days and not more than 30 days from the date of despatch) as may be specified in such notice any of the following information in relation to any or all of shares registered in such member's name at the date of the notice: <ul style="list-style-type: none"> (a) any beneficial interest of any third party in the shares the subject of the notice; (b) any other interest of any kind whatsoever which a third party may have in the shares; and (c) the identity of any third party having any such interest;
"Listing Rules"	the listing rules of the FSA made under Part VI of the FSMA;
"London Stock Exchange"	London Stock Exchange plc;
"member"	a member of the Company or, where the context requires, a member of the Board or of any committee;
"moneys borrowed"	as defined in Article 116.3 (Borrowing powers);
"notice shares"	as defined in Article 83.2 (Disenfranchisement notice);
"Office"	the registered office for the time being of the Company;
"Official List"	the Official List of the UK Listing Authority;
"Operator"	the operator as defined in the Uncertificated Regulations of the relevant Uncertificated System;
"Ordinary Shares"	ordinary shares each of US\$ 0.0000125 par value in the capital of the Company;
"paid up"	paid up or credited as paid up;
"Participating Security"	a share or class of shares or a renounceable right of allotment of a share, title to which is permitted to be



	transferred by means of an Uncertificated System in accordance with the Uncertificated Regulations;
"person entitled by transmission"	a person whose entitlement to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law has been noted in the Register;
"recognised investment exchange"	as defined in section 285 of the FSMA;
"record date"	as defined in Article 149 (Record dates);
"Register"	either or both of the register of members of the Company to be kept pursuant to section 62 of the Act and the Operator's register of members of the Company;
"relevant balance sheet"	as defined in Article 116.3 (Borrowing powers);
"relevant company"	as defined in Article 128 (Interested Director not to vote or count for quorum);
"relevant percentage"	as defined in Article 116.5 (Borrowing powers);
"relevant value"	as defined in Article 145.1 (Authority to pay scrip dividends);
"remote means"	the medium of telephone conference or video conference or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting or are able to receive communications from each of the other Directors participating in the meeting;
"representative"	as defined in Article 75.4 (Votes of members);
"Russia"	the Russian Federation;
"Seal"	the common seal of the Company;
"secretary"	means the secretary of the Company or any other person appointed by the board to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
"share"	a share in the capital of the Company;
"solvency test"	has that meaning set out in section 49 of the Act;
"subsidiary"	has that meaning set out in section 220 of the Act;
"subsidiary undertaking"	has that meaning set out in section 1162 of the UK 2006 Act;

"UK 2006 Act"	subject to Article 2.3 (Statutory provisions) the UK Companies Act 2006 (an Act of Parliament);
"UK Listing Authority"	the competent authority for the purposes of Part VI of the FSMA;
"uncertificated"	in relation to a share, a share to which title is recorded in the Register as being held in uncertificated form and title to which may be transferred by means of an Uncertificated System in accordance with the Uncertificated Regulations;
"uncertificated proxy instruction"	means an instruction or notification sent by means of a relevant system and received by such participant in that system acting on behalf of the Company as the board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the board (subject always to the facilities and requirements of the relevant system concerned);
"Uncertificated Regulations"	the Uncertificated Securities Regulations 2006 (as amended or replaced from time to time);
"Uncertificated System"	a relevant system as defined in the Uncertificated Regulations (and including, in particular, at the date of adoption of the Articles, the Crest UK system);
"United Kingdom" or "UK"	Great Britain and Northern Ireland;
"Website"	a website that is maintained by or on behalf of the Company and identifies the Company;
"withdrawal notice"	as defined in Article 83.3 (Withdrawal notice); and
"writing or written"	printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form.

2.2 *General interpretation*

Unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa;
- (b) words importing the masculine gender include the feminine gender;
- (c) a reference to a person includes a body corporate and an unincorporated body of persons;
- (d) a reference to an Uncertificated System is a reference to the Uncertificated System in respect of which the particular share or class of shares or renounceable right of allotment of a share is a Participating Security; and
- (e) all references in the Articles to the giving of instructions by means of a relevant

Uncertificated System shall be deemed to relate to a properly authenticated dematerialised instruction given in accordance with the Uncertificated Regulations. The giving of such instructions shall be subject to:

- (i) the facilities and requirements of the relevant Uncertificated System;
- (ii) the Uncertificated Regulations; and
- (iii) the extent to which such instructions are permitted by or practicable under the rules and practices from time to time of the operator of the relevant Uncertificated System.

2.3 **Statutory provisions**

A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force.

2.4 **The Act**

Save as aforesaid, and unless the context otherwise requires, words or expressions contained in the Articles shall bear the same meaning as in the Act.

2.5 **Resolutions**

- (a) In the Articles, any reference to a special resolution of the members (or of a class of members) of the Company shall be to a resolution passed by a majority of not less than 75%. A resolution passed at a meeting on a show of hands is passed by a majority of not less than 75% if it is passed by not less than 75% of: (i) the members who, being entitled to do so, vote in person on the resolution and (ii) the persons who vote on the resolution as duly appointed proxies of members entitled to vote on it. A resolution passed on a poll taken at a meeting is passed by a majority of not less than 75% if it is passed by members representing not less than 75% of the total voting rights of the members who (being entitled to do so) vote in person or by proxy on the resolution. Where a resolution is passed at a meeting, the resolution is not a special resolution unless the notice of the meeting included the text of the resolution and specified the intention to propose the resolution as a special resolution, and if the notice of the meeting so specified, the resolution may only be passed as a special resolution.
- (b) Any reference in the Articles to a resolution or an ordinary resolution of the members (or of a class of members) of the Company shall be a reference to a resolution that is passed by a simple majority. A resolution passed at a meeting on a show of hands is passed by a simple majority if it is passed by a simple majority of (i) the members who, being entitled to do so, vote in person on the resolution and (ii) the persons who vote on the resolution as duly appointed proxies of members entitled to vote on it. A resolution passed on a poll taken at a meeting is passed by a simple majority if it is passed by members representing a simple majority of the total voting rights of members who (being entitled to do so) vote in person or by proxy on the resolution. Anything that may be done by ordinary resolution may also be done by special resolution.

2.6 **Cash**

- (a) A share is deemed paid up (as to its par value or any premium on it) in cash or allotted for cash, if the consideration received for the allotment or payment up is a cash consideration and "**cash consideration**" means:
- (i) cash received by the Company;
 - (ii) a cheque received by the Company in good faith that the Directors have no reason for suspecting will not be paid;
 - (iii) a release of a liability of the Company for a liquidated sum;
 - (iv) an undertaking to pay cash to the Company at a future date; or
 - (v) payment by any other means giving rise to a present or future entitlement (of the Company or a person acting on the Company's behalf) to a payment, or credit equivalent to payment, in cash.
- (b) In relation to the allotment of shares or payment up of shares, the payment of cash to a person other than the Company or an undertaking to pay cash to a person other than the Company counts as consideration other than cash, except for the purposes of Article 5 (Pre-emption rights on allotment).
- (c) For the purpose of determining whether a share is or is to be allotted for cash, or paid up in cash, "**cash**" includes foreign currency.

2.7 **Authentication**

For the purposes of the Articles, a document or information sent or supplied in hard copy form is "**authenticated**" if it is signed by the person sending or supplying it. A document or information sent or supplied in electronic form is sufficiently authenticated if the identity of the sender is confirmed in a manner specified by the Company, or where no such manner has been specified by the Company, if the communication contains or is accompanied by a statement of the identity of the sender and the Company has no reason to doubt the truth of that statement.

2.8 **Headings**

The headings are inserted for convenience only and shall not affect the construction of the Articles.

3. **Registered office**

The Office shall be at such place in the Isle of Man as the Board shall from time to time appoint.

B. **Share capital**

4. **Power of Directors to allot shares etc: authorisation by Company**

4.1 Subject to Articles 4.9 and 5.2, the Directors may exercise a power of the Company to:

- (a) allot shares; and
- (b) grant rights to subscribe for or to convert any security into shares,

- if they are given authorisation to do so by resolution of the Company ("**Authorisation**").
- 4.2 Authorisation may be given for a particular exercise of the power or for its exercise generally ("**General Authorisation**") and may be unconditional or subject to conditions.
- 4.3 Authorisation must:
- (a) state the maximum amount of shares that may be allotted under it; and
 - (b) specify the date on which it will expire, which must not be more than five years from the date on which the resolution is passed by virtue of which the Authorisation is given.
- 4.4 Authorisation may:
- (a) be renewed or further renewed by resolution of the Company for a further period not exceeding five years; and
 - (b) be revoked or varied at any time by resolution of the Company.
- 4.5 A resolution renewing an Authorisation must:
- (a) state (or restate) the maximum amount of shares that may be allotted under the Authorisation or, as the case may be, the amount remaining to be allotted under it; and
 - (b) specify the date on which the renewed Authorisation will expire.
- 4.6 In relation to rights to subscribe for or to convert any security into shares, references in this Article 4 to the maximum amount of shares that may be allotted under the Authorisation are to the maximum amount of shares that may be allotted pursuant to the rights.
- 4.7 The Directors may allot shares, or grant rights to subscribe for or to convert any security into shares, after an Authorisation has expired if:
- (a) the shares are allotted, or the rights are granted, in pursuance of an offer or agreement made by the Company before the Authorisation expired; and
 - (b) the Authorisation allowed the Company to make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after the Authorisation had expired.
- 4.8 A resolution to give, vary, revoke or renew an Authorisation may be an ordinary resolution.
- 4.9 Authorisation is not required for:
- (a) the allotment of shares in pursuance of an employees' share scheme, or the grant of a right to subscribe for, or convert any security into, shares so allotted; or
 - (b) the allotment of shares pursuant to a right to subscribe for, or to convert any security into, shares.
- 4.10 Nothing in this Article 4 affects the validity of an allotment or other transaction.

5. Pre-emption rights on allotment

5.1 Interpretation

(a) For the purposes of this Article 5:

- (i) "**equity securities**" means ordinary shares of the Company or a right to subscribe for, or to convert any security into, ordinary shares of the Company;
- (ii) "**EEA State**", in relation to any time, means a state which at that time is a member state of the European Union or any other state which at that time is a party to the agreement on the European Economic Area signed at Oporto on 2nd May 1992, together with the Protocol adjusting that Agreement signed at Brussels on 17th March 1993, as modified or supplemented from time to time;
- (iii) "**hard copy**" means a paper copy or similar form capable of being read;
- (iv) "**electronic form**" means a document or information either:
 - (A) sent by electronic means (for example, by e-mail or fax); or
 - (B) sent or supplied by any other means while in an electronic form (for example, a disk sent by post),provided that the document or information sent or supplied in electronic form must be sent or supplied in a form, and by a means, that the sender or supplier reasonably considers will enable the recipient to read it with the naked eye and to retain a copy of it;
- (v) "**holder**" means, in relation to an offer to allot equity securities required by this Article 5, the holder of shares of any description at the close of business on a date to be specified in the offer. The specified date must fall within the period of 28 days immediately before the date of the offer; and
- (vi) "**ordinary shares**" means shares other than shares that as respects dividends and capital carry a right to participate only up to a specified amount in a distribution.

(b) References in this Article 5 to the allotment of equity securities include the grant of a right to subscribe for, or to convert securities into, ordinary shares (but do not include the allotment of shares pursuant to such a right).

5.2 Existing shareholders' right of pre-emption

- (a) The Company must not allot any equity securities to a person on any terms unless:
 - (i) it has made an offer to each holder of ordinary shares in the Company to allot to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion in par value held by him of the ordinary share capital of the Company; and
 - (ii) the period during which any such offer may be accepted has expired or

the Company has received notice of the acceptance or refusal of every offer so made.

- (b) Securities that the Company has offered to allot to a holder of ordinary shares may be allotted to him or anyone in whose favour he has renounced his right to their allotment, without contravening Article 5.2(a)(ii).
- (c) This Article 5.2 is subject to:
 - (i) Articles 5.4 to 5.6 (Exceptions to pre-emption rights); and
 - (ii) Articles 5.7 and 5.8 (Disapplication of pre-emption rights).

5.3 ***Communication of pre-emption offers to shareholders***

- (a) This Article 5.3 sets out the manner in which offers required by Article 5.2 (each an "offer") are to be made to holders of ordinary shares.
- (b) An offer may be made in hard copy or electronic form.
- (c) If the holder has no registered address in an EEA State and has not given to the Company an address in an EEA State for the service of notices on him, an offer may be made by causing it, or a notice specifying where a copy of it can be obtained or inspected, to be published in the London Gazette.
- (d) An offer must state a period during which it may be accepted and the offer shall not be withdrawn before the end of that period.
- (e) The period must be a period of at least 14 days beginning:
 - (i) in the case of an offer made in hard copy, with the date on which the offer is sent or supplied;
 - (ii) in the case of an offer made in electronic form, with the date on which the offer is sent; and
 - (iii) in the case of an offer made by publication in the London Gazette, with the date of publication.

5.4 ***Exception to pre-emption rights: bonus shares***

Article 5.2 (Existing shareholders' right of pre-emption) does not apply in relation to the allotment of bonus shares.

5.5 ***Exception to pre-emption rights: issue for non-cash consideration***

Article 5.2 (Existing shareholders' right of pre-emption) does not apply to a particular allotment of equity securities if these are, or are to be, wholly or partly paid up otherwise than in cash.

5.6 ***Exception to pre-emption rights: employees' share schemes***

Article 5.2 (Existing shareholders' right of pre-emption) does not apply to the allotment of equity securities that would, apart from any renunciation or assignment of the right to

their allotment, be held under or allotted or transferred pursuant to an employees' share scheme.

5.7 Disapplication of pre-emption rights: Directors acting under General Authorisation

(a) Where the Directors have been given a General Authorisation for the purposes of Article 4, they may be given power by a special resolution of the Company, to allot equity securities pursuant to that General Authorisation as if Article 5.2 (Existing shareholders' right of pre-emption):

- (i) did not apply to the allotment; or
- (ii) applied to the allotment with such modifications as the Directors may determine.

(b) Any power conferred upon the Directors by special resolution pursuant to Article 5.7(a) shall cease to have effect when the General Authorisation to which it relates:

- (i) is revoked; or
- (ii) would (if not renewed) expire,

but if the General Authorisation is renewed the power may also be renewed, for a period not longer than that for which the General Authorisation is renewed, by a special resolution of the Company.

(c) Notwithstanding that the power conferred upon the Directors by special resolution pursuant to Article 5.7(a) has expired, the Directors may allot equity securities in pursuance of an offer or agreement previously made by the Company if the power enabled the Company to make an offer or agreement that would or might require equity securities to be allotted after it expired.

5.8 Disapplication of pre-emption rights by special resolution

(a) Where the Directors have been given an Authorisation, whether a General Authorisation or otherwise, the Company may by special resolution resolve that Article 5.2 (Existing shareholders' right of pre-emption):

- (i) does not apply to a specified allotment of equity securities to be made pursuant to that Authorisation; or
- (ii) applies to such an allotment with such modifications as may be specified in the resolution.

(b) A special resolution under this Article 5.8 ceases to have effect when the Authorisation to which it relates:

- (i) is revoked; or
- (ii) would (if not renewed) expire,

but if the Authorisation is renewed the resolution may also be renewed, for a period not longer than that for which the Authorisation is renewed, by a special

resolution of the Company.

- (c) Notwithstanding that any such resolution has expired, the Directors may allot equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be allotted after it expired.
- (d) A special resolution under this Article 5.8, or a special resolution to renew such a resolution, must not be proposed unless:
 - (i) it is recommended by the Directors; and
 - (ii) the Directors have complied with the provisions of Articles 5.8(e) and 5.8(f).
- (e) Before a special resolution under this Article 5.8, or a special resolution to renew such a resolution, is proposed, the Directors must make a written statement ("**Directors' Statement**") setting out:
 - (i) their reasons for making the recommendation;
 - (ii) the amount to be paid to the Company in respect of the equity securities to be allotted; and
 - (iii) the Directors' justification of that amount.
- (f) The Directors' Statement must be circulated to the members entitled to notice of the meeting at which the resolution is proposed together with that notice.

5.9 ***Saving for other restrictions on offer or allotment***

- (a) The provisions of this Article 5 are without prejudice to any enactment by virtue of which the Company is prohibited (whether generally or in specified circumstances) from offering or allotting equity securities to any person.
- (b) Where the Company cannot by virtue of such an enactment offer or allot equity securities to a holder of ordinary shares of the Company, those shares are disregarded for the purposes of Article 5.2 (Existing shareholders' right of pre-emption), so that:
 - (i) the person is not treated as a person who holds ordinary shares in the Company, and
 - (ii) the shares are not treated as forming part of the ordinary share capital of the Company.

6. **Power to attach rights and issue redeemable shares**

6.1 ***Rights attaching to shares***

Subject to the provisions of the Act and to any special rights for the time being attached to any existing shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, transfer, return of capital or otherwise as the Company may from time

to time by resolution determine or if no such resolution has been passed, or so far as the resolution does not make specific provision, as the Board may determine.

6.2 *Purchase and Redemption of Shares*

Subject to any shares expressly being non-redeemable as a term of their issue, shares may be redeemed or otherwise acquired for any consideration provided that such redemption or acquisition does not contravene section 60 of the Act or the solvency test; the process for redemption or acquisition of shares shall be determined by the Directors in their absolute discretion and the Directors may, for the avoidance of doubt, permit an offer to one or more holders of shares in accordance with section 53(1)(b)(ii) of the Act, subject to section 54 of the Act.

6.3 *Redemption dates*

The date on which or by which, or dates between which, any redeemable shares are to be or may be redeemed may be fixed by the Directors and in such a case must be fixed by the Directors before the shares are issued. Unless otherwise specified in the Articles, the amount payable on redemption of any redeemable shares shall be the par value of such shares.

7. *Share warrants*

The Company shall have no power to issue any warrants stating that the bearer thereof is entitled to the shares specified therein. Subject to this, however, the Company shall have the power to issue warrants to subscribe for shares.

8. *Commission and brokerage*

The Company may exercise the powers conferred or permitted by the Act to pay commissions or brokerage to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company to the full extent permitted by the Act. Any such commission or brokerage may be satisfied by the payment of cash, the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods.

9. *Trusts not to be recognised*

Except as otherwise expressly provided by the Articles, as required by law or as ordered by a court of competent jurisdiction, the Company shall not recognise any person as holding any share on any trust and (except as aforesaid) the Company shall not be bound by or recognise (even if having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share or any interest in any fractional part of a share except an absolute right of the holder to the whole of the share.

10. *Renunciation of shares*

Subject to the provisions of the Act and of the Articles, the Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation of it by the allottee in favour of some other person and may accord to any allottee of a share the right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

11. Increase, consolidation and sub division

To the extent that the shares in the capital of the Company comprise shares with a par value, the Company in general meeting may from time to time by resolution:

- (a) increase its share capital by such sum to be divided into shares of such amount as the resolution prescribes;
- (b) consolidate and/or divide, re-designate or redenominate or convert all or any of its share capital into shares of larger or smaller par value, into shares having a purchase price of another currency, or into different classes of shares than its existing shares; and
- (c) sub-divide its shares or any of them into shares of smaller par value and may by such resolution determine that as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to shares available for issue or new shares but so that the proportion between the amount paid up and the amount (if any) not paid up on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

12. Fractions

12.1 *Power to deal with fractional entitlements*

Whenever as the result of any consolidation, division or sub-division of shares any member would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and in particular (but without prejudice to the generality of the foregoing):

- (a) the Board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders into a single consolidated share and the Board may on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3 or such other sum as the Board may from time to time determine may be retained for the benefit of the Company); or
- (b) provided that the Directors have sufficient Authorisation to allot the necessary shares, the Board may issue to such holder, credited as fully paid, by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation), and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's accounts or to the credit of profit and loss account and capitalised by applying the same in paying up the share.

12.2 **Sale of fractions**

For the purposes of any sale of consolidated shares pursuant to Article 12.1 (Power to deal with fractional entitlements), the Board may in the case of certificated shares authorise some person to execute an instrument of transfer of the shares to or in accordance with the directions of the purchaser or in the case of uncertificated shares exercise any power conferred on it by Article 20.5 (Forfeiture and sale), and the transferee shall not be bound to see to the application of the purchase money in respect of any such sale, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale or transfer and any instrument or exercise shall be effective as if it had been executed or exercised by the holder of the shares to which it relates.

13. **Reduction of capital**

Subject to compliance with the solvency test and to any rights for the time being attached to any shares, the Company may by special resolution reduce its paid up share capital in any manner.

14. **Purchase of own shares**

Shares (including redeemable shares) may, with the sanction of a special resolution of the Company, be purchased or otherwise acquired by the Company for any consideration provided that such purchase does not contravene section 60 of the Act or the solvency test; the process for purchase or acquisition of shares shall be determined by the Directors in their absolute discretion and the Directors may, for the avoidance of doubt, permit an offer to one or more holders of shares in accordance with section 53(1)(b)(ii) of the Act, subject only to section 54 of the Act.

C. **Variation of class rights**

15. **Sanction to variation**

Subject to the provisions of the Act, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in par value of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of the class duly convened and held as provided in the Articles (but not otherwise). The foregoing provisions of this Article shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied. Subject to the terms of issue or the rights attached to any shares the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the Board resolving that a class of shares is to become or to cease to be a Participating Security.

16. **Class meetings**

All the provisions in the Articles as to general meetings shall mutatis mutandis apply to every meeting of the holders of any class of shares save that:

- (a) no member is entitled to notice of it or to attend unless he is a holder of shares of that class;
- (b) the quorum at every such meeting shall be two or more persons holding or representing by proxy at least one-third of the par value paid up on the issued shares of the class;
- (c) every holder of shares of the class present in person or by proxy may demand a poll;
- (d) each such holder shall on a poll be entitled to one vote for every share of the class held by him; and
- (e) if at any adjourned meeting of such holders, such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

17. **Deemed variation**

The rights attached to a class of shares shall not, unless otherwise expressly provided for in the rights attaching to those shares, be varied or deemed to be varied by the allotment or issue of, or the grant of rights to subscribe for or to convert into, further shares ranking in priority to or *pari passu* with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Act and the Articles.

D. **Share certificates**

18. **Right to certificates**

18.1 **Issue of certificates**

On becoming the holder of any certificated share every person shall be entitled without charge to have issued within two months after allotment or 14 days after lodgement of a transfer or within two months after the relevant Operator instruction is received by the Company (unless the terms of issue of the shares provide otherwise or the transfer is one which the Company is for any reason entitled to refuse to register and does not register) one certificate for all the certificated shares of any one class registered in his name and to a separate certificate for each class of certificated shares so registered. Such certificate shall specify the number, class and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up on them and shall be issued either under the Seal (which may be affixed to it or printed on it) or in such other manner having the same effect as if issued under a seal and, having regard to the rules and regulations applicable to the recognised investment exchange(s) to which the Company's shares are admitted, as the Board may approve.

18.2 **Distinguishing numbers**

If and so long as all the issued shares of the Company or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes then none of those shares shall bear a distinguishing number. In all other cases each share shall bear a distinguishing number.

18.3 **Joint holders**

The Company shall not be bound to issue more than one certificate in respect of certificated shares held jointly by two or more persons. Delivery of a certificate to the person first named on the Register shall be sufficient delivery to all joint holders.

18.4 *Balancing certificates*

Where a member has transferred part only of the shares comprised in a certificate he shall be entitled without charge to a certificate for the balance of such certificated shares.

18.5 *Restrictions on certificates*

No certificate shall be issued representing certificated shares of more than one class.

19. *Replacement certificates*

19.1 *Consolidation of certificates*

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, subject to the payment of such reasonable fee (if any) as the Board may determine, on surrender of the original certificates for cancellation.

19.2 *Splitting share certificates*

If any member shall surrender for cancellation a share certificate representing certificated shares held by him and request the Company to issue in lieu two or more share certificates representing such certificated shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request subject to the payment of such reasonable fee (if any) as it may determine.

19.3 *Renewal or replacement*

Share certificates may be renewed or replaced on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out of pocket expenses (including those incurred by the Company in investigating such evidence and preparing such indemnity and security) as the Board may decide, and on surrender of the original certificate (where it is defaced or worn out) but without any further charge.

19.4 *Joint holders*

In the case of shares held jointly by several persons, any such request as is mentioned in this Article 19 (Replacement certificates) may be made by any one of the joint holders.

20. *Uncertificated shares*

20.1 *Participating security*

Subject to the Act, the Listing Rules and the Uncertificated Regulations, the Board may resolve that, following Admission, a class of shares is to become, or is to cease to be, a Participating Security and may implement such arrangements as it thinks fit in order for any class of shares to be admitted to settlement by means of an Uncertificated System. Shares of a class shall not be treated as forming a separate class from other shares of the same class as a consequence only of such shares being held in uncertificated form.

Any share of a class which is a Participating Security may be changed from an uncertificated share to a certificated share and from a certificated share to an uncertificated share in accordance with the Uncertificated Regulations. For any purpose under the Articles, the Company may treat a member's holding of uncertificated shares and of certificated shares of the same class as if they were separate holdings, unless the Board otherwise decides.

20.2 ***Application of Articles***

The Articles apply to uncertificated shares of a class which is a Participating Security only to the extent that the Articles are consistent with the holding of such shares in uncertificated form, with the transfer of title to such shares by means of the Uncertificated System and with the Uncertificated Regulations.

20.3 ***Board regulations***

Subject to the Act and Uncertificated Regulations and the Listing Rules, the Board may lay down regulations not included in the Articles which:

- (a) apply to the issue, holding or transfer of uncertificated shares (in addition to or in substitution for any provisions in the Articles);
- (b) set out (where appropriate) the procedures for conversion, redemption and/or purchase of uncertificated shares; and/or
- (c) the Board considers necessary or appropriate to ensure that the Articles are consistent with the Uncertificated Regulations and/or the Operator's rules and practices.

Such regulations will apply instead of any relevant provisions in the Articles which relate to certificates and the transfer, conversion, redemption and purchase of shares or which are not consistent with the Uncertificated Regulations, in all cases to the extent (if any) stated in such regulations. If the Board makes any such regulations, Article 20.2 (Application of Articles) will (for the avoidance of doubt) continue to apply to the Articles, when read in conjunction with those regulations.

20.4 ***Instructions via an uncertificated system***

Any instruction given by means of an Uncertificated System as referred to in the Articles shall be a dematerialised instruction given in accordance with the Uncertificated Regulations, the facilities and requirements of the Uncertificated System and the Operator's rules and practices.

20.5 ***Forfeiture and sale***

Where the Company is entitled under the Operator's rules and practices, the Articles or otherwise to dispose of, forfeit, enforce a lien over or sell or otherwise procure the sale of any shares of a class which is a Participating Security which are held in uncertificated form, the Board may take such steps (subject to the Uncertificated Regulations and to such rules and practices) as may be required or appropriate, by instruction by means of an Uncertificated System or otherwise, to effect such disposal, forfeiture, enforcement or sale including by (without limitation):

- (a) requesting or requiring the deletion of any computer-based entries in the

Uncertificated System relating to the holding of such shares in uncertificated form;

- (b) altering such computer-based entries so as to divest the holder of such shares of the power to transfer such shares other than to a person selected or approved by the Company for the purpose of such transfer;
- (c) requiring any holder of such shares, by notice in writing to him, to change his holding of such uncertificated shares into certificated form within any specified period;
- (d) requiring any holder of such shares to take such steps as may be necessary to sell or transfer such shares as directed by the Company;
- (e) otherwise rectify or change the Register in respect of any such shares in such manner as the Board considers appropriate (including, without limitation, by entering the name of a transferee into the Register as the next holder of such shares);
- (f) appointing any person to take any steps in the name of any holder of such shares as may be required to change such shares from uncertificated form to certificated form and/or to effect the transfer of such shares (and such steps shall be effective as if they had been taken by such holder); and/or
- (g) taking such other action as may be necessary to enable such shares to be registered in the name of the person to whom the shares have been sold or disposed of.

E. Lien on shares

21. Lien on shares not fully paid

The Company shall have a first and paramount lien on any of its shares which are not fully paid whether the due date for payment has arrived or not, but only to the extent and in the circumstances permitted by law. The lien shall also extend to all distributions and other moneys from time to time declared or payable in respect of such share. The Board may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien (if any) on that share.

22. Enforcement of lien by sale

22.1 Power of sale

The Company may sell in any manner decided by the Board all or any of the shares subject to any lien at such time or times and in such manner as it may determine, save that no sale shall be made until such time as the moneys in respect of which such lien exists or some part of them are or is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due, or specifying the liability or engagement and demanding payment or fulfilment or discharge of them, and giving notice of intention to sell in default, shall have been served on the holder or the persons (if any) entitled by transmission to the shares and default in payment, fulfilment or

discharge shall have been made by him or them for 14 clear days after service of such notice.

22.2 **Title**

A statutory declaration in writing that the declarant is a Director and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share.

22.3 **Perfection of transfer**

For giving effect to any such sale, the Board may in the case of certificated shares authorise some person to execute an instrument of transfer of the shares sold in the name and on behalf of the holder or the persons entitled by transmission in favour of the purchaser or as the purchaser may direct and in the case of uncertificated shares exercise any power conferred on it by Article 20.5 (Forfeiture and sale) to effect a transfer of the shares. The purchaser shall not be bound to see to the application of the purchase money in respect of any such sale and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale. Any instrument or exercise shall be effective as if it had been executed or exercised by the holder of, or the person entitled by transmission to the shares to which it relates.

23. **Application of proceeds of sale**

The net proceeds of any sale of shares subject to any lien after payment of the costs shall be applied in or towards satisfaction of so much of the amount due to the Company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged. The balance (if any) shall (in the case of certificated shares) on delivery of an indemnity in such form as the Board may require in the case of a lost, damaged or destroyed share certificate in respect of the shares sold, or on surrender to the Company for cancellation of the certificate for the shares sold and in all cases subject to a like lien for any moneys not presently payable or any liability or engagement not liable to be presently fulfilled or discharged as existed on the shares before the sale, be paid to the holder of (or the person (if any) entitled by transmission to) the shares immediately prior to sale.

F. **Calls on shares**

24. **Calls**

Subject to the terms of allotment of shares, the Board may from time to time make calls on the members in respect of any moneys unpaid on the shares or any class of shares held by them respectively (whether in respect of par value or premium) and not payable on a date fixed by or in accordance with the terms of issue provided that no call on any share shall be payable within one month from the date fixed for the payment of the last preceding call. Each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made and whether or not by instalments) be liable to pay the amount of every call so made on him as required by the notice. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed or (as the case may require) any person to whom power has been delegated pursuant to the Articles serves notice of exercise of such power. A call may be required to be paid by instalments and may before receipt by the

Company of any sum due under it be either revoked or postponed in whole or part as regards all or any such members as the Board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of them.

25. Interest on calls

If the whole of the sum payable in respect of any call is not paid on or before the day appointed for payment, the person from whom it is due and payable shall pay all reasonable costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the unpaid amount from the day appointed for payment thereof to the time of actual payment at the rate fixed by the terms of the allotment or issue of the share or, if no rate is so fixed, at such rate, not exceeding 15 per cent. per annum, as the Board shall determine and specify in the notice of the call. The Board may waive payment of such costs, charges, expenses or interest in whole or in part.

26. Rights of member when call unpaid

No member shall be entitled to receive any dividend or to be present and vote at any general meeting or at any separate meeting of the holders of any class of shares either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum or to exercise any other privilege as a member unless and until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

27. Sums due on allotment treated as calls

Any sum payable in respect of a share on allotment or at any fixed date whether as an instalment of a call or otherwise shall for all purposes of the Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment or in the notice of call, it becomes payable. If it is not paid, the provisions of the Articles shall apply as if such amount had become due and payable by virtue of a call duly made and notified.

28. Power to differentiate

The Board may make arrangements on the allotment or issue of shares for a difference as between the allottees or holders of such shares in the amount or time of payment of calls or both.

29. Payment in advance of calls

29.1 The Board may if it thinks fit receive from any member willing to advance it all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish pro tanto the liability on the shares on which it is made. The Company may pay interest on the money paid in advance or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made at such rate, not exceeding 15 per cent. per annum, as the Board may decide until and to the extent that it would, but for the advance, become payable. The Board may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention in that regard,

unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. No sum paid in advance of calls shall entitle the holder of a share in respect of them 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.

- 29.2 An amount (whether in respect of the par value or a premium) which by the terms of issue of a share becomes payable on allotment or issue or on a fixed date shall be deemed to be a call. In case of non-payment, the provisions of the Articles as to payment of interest, forfeiture or otherwise apply as if that amount has become payable by virtue of a call.

G. Forfeiture of shares

30. Notice if call not paid

If any member fails to pay the whole of any call or any instalment of any call on or before the day appointed for payment the Board may at any time serve a notice in writing on such member, or on any person entitled to the shares by transmission, requiring payment, on a date not less than 14 clear days from the date of the notice, of the amount unpaid and any interest which may have accrued on it and any reasonable costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

31. Forfeiture for non-compliance

If the notice referred to in Article 30 (Notice if call not paid) is not complied with, any share in respect of which it was given may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or other moneys payable in respect of the forfeited shares and not paid before the forfeiture, and shall be deemed to occur at the time of the passing of the said resolution of the Board.

32. Notice after forfeiture

When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture with the date of it shall forthwith be made in the Register in respect of such share together with a note that dealings are not permitted in the share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry as aforesaid.

33. Forfeiture may be annulled

The Board may at any time before any share so forfeited has been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture on the terms that payment shall be made of all calls and interest due thereon and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

34. Surrender

The Board may accept a surrender of any share liable to be forfeited under the Articles upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited. In such case, references in the Articles to forfeiture shall include surrender.

35. Disposal of forfeited shares

Every share which shall be forfeited shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before forfeiture its holder or entitled to it or to any other person on such terms and in such manner as the Board shall determine and, in the case of re-allotment, whether with or without all or any part of the amount previously paid up on the share being treated as so paid up. The Board may, for the purposes of the disposal in the case of certificated shares, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the Register notwithstanding the absence of any share certificate being lodged in respect of it and may issue a new certificate to the transferee in respect of certificated shares transferred to it. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of or the person entitled by transmission to the share. In the case of uncertificated shares the Board may exercise any power conferred on it by Article 20.5 (Forfeiture and sale) to effect a transfer of the shares. The Company may, if the Board considers it just and equitable to do so, receive the consideration (if any) given for the share on its disposal.

36. Effect of forfeiture

A shareholder whose shares have been forfeited shall cease to be a member in respect of the shares forfeited and shall in the case of a certificated share surrender to the Company for cancellation the certificate for such shares. He shall nevertheless be liable (unless payment is waived in whole or in part by the Directors) to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest on them from the date of the forfeiture to the date of payment at the rate at which interest was payable on those amounts before the forfeiture or, if no interest was so payable, at such rate not exceeding 15 per cent. per annum as the Board may determine, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) claims, demands and liabilities which may be owing in respect of the shares at the time of forfeiture without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on the disposal.

37. Extinction of claims

The forfeiture of a share shall include all dividends and other payments or distributions declared in respect of the forfeited shares and not paid or distributed before forfeiture.

38. Evidence of forfeiture

A statutory declaration by a Director or secretary that a share has been forfeited or sold to satisfy a lien in pursuance of the Articles and stating the date on which it was forfeited shall as against all persons claiming to be entitled to the share adversely to its forfeiture, be conclusive evidence of the facts stated in it. The declaration, together with the receipt of the Company for the consideration (if any) given for the share on its sale or disposition and a certificate for the share under the Seal delivered to the person to whom it is sold or disposed of, shall (subject if necessary to the execution of an instrument of transfer) constitute a good title to the share. Subject to the execution of any necessary

transfer in the case of a certificated share, such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any) nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share. Such person shall not (except by express agreement with the Company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof.

H. Transfer of shares

39. Form of transfer

Each member may transfer all or any of his shares in the case of certificated shares by instrument of transfer in writing in any usual form or in any form approved by the Board or in the case of uncertificated shares without a written instrument in accordance with the Uncertificated Regulations. Any written instrument shall contain the business or residential address of the transferee and be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

40. Right to refuse registration

40.1 *Registration of certificated share transfer*

40.2 In exceptional circumstances approved by the FSA, the Board may refuse to register a transfer of certificated shares provided that such refusal would not disturb the market in those shares. Subject to the requirements of the Listing Rules, the Board may, in its absolute discretion, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.

40.3 The Board may also, in its absolute discretion, refuse to register the transfer of a certificated share or a renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied:

- (a) it is in respect of only one class of shares;
- (b) it is in favour of (as the case may be) a single transferee or renounee or not more than four joint transferees or renounees;
- (c) it is duly stamped (if required); and
- (d) it is delivered for registration to the registered agent of the Company or such other person as the Board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised financial institution where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

40.4 *Registration of an uncertificated share transfer*

The Operator shall register a transfer of title to any uncertificated share or the renunciation or transfer of any renounceable right of allotment of a share which is a Participating Security held in uncertificated form in accordance with the Uncertificated Regulations, except that registration of a transfer of an uncertificated share or the renunciation or transfer of any renounceable right of allotment may be refused (subject to any relevant requirements applicable to the recognised investment exchange(s) to which the shares of the Company are admitted) if it is in favour of more than four persons jointly or in any other circumstance permitted by the Uncertificated Regulations.

- 40.5 Neither the Company nor the Board shall be liable to indemnify, reimburse or compensate any member in respect of any cost, liability or expense (including, without limitation, any taxes or duties imposed, paid or suffered under the laws of the United States of America, the United Kingdom, the Isle of Man or any other jurisdiction) arising from or by reference to any sale or renunciation of any shares pursuant to this Article 40 (Rights to refuse registration).

41. Notice of refusal

If the Board refuses to register a transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with written details of the reasons for such refusal. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may be retained by the Company.

42. Closing of register

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Board in its absolute discretion may from time to time determine (subject to the Uncertificated Regulations in the case of any shares of a class which is a Participating Security). Notice of closure of the Register shall be given in accordance with the requirements of the Act.

43. No fees on registration

No fee shall be charged for registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, notice or other instrument relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

44. Recognition of renunciation of allotment of shares

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

I. Transmission of shares

45. On death

If a member dies the survivors or survivor where he was a joint holder and his executors or administrators where he was a sole or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his shares. Nothing in the Articles shall release the estate of a deceased member from any liability in respect of

any share which has been solely or jointly held by him.

46. Election of person entitled by transmission

Any person entitled to a share by transmission, may, on such evidence as to his title being produced as the Board may reasonably require, elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself he shall give written notice signed by him to the Company to that effect. If he elects to have some other person registered he shall, in the case of a certificated share, execute an instrument of transfer of such shares to that person and, in the case of an uncertificated share, either procure that all appropriate instructions are given by means of the Uncertificated System to effect the transfer of such share to such person or change the uncertificated share to certificated form and then execute an instrument of transfer of such share to such person. All the provisions of the Articles relating to the transfer of certificated shares shall apply to the notice, instrument of transfer or instructions (as the case may be) as if it were an instrument of transfer executed or instructions given by the member and his death, bankruptcy or other event had not occurred and any notice or transfer were executed by such member. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the Board, the Board shall, within 60 days after proof, cause the entitlement of that person to be noted in the Register.

47. Rights on transmission

Where a person is entitled to a share by transmission, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other moneys payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share except that he shall not before he is registered as the holder of the share be entitled in respect of it to give notice of or to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares of the Company. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within 60 days the Board may thereafter withhold payment of all dividends and other moneys payable in respect of such share until the requirements of the notice have been complied with.

J. General meetings

48. Annual general meetings

The Board shall convene in each year a general meeting of the members of the Company called the annual general meeting; any annual general meeting so convened shall be held at such time and place as the Board may determine.

49. Extraordinary general meetings

All general meetings other than annual general meetings shall be called extraordinary general meetings.

50. Convening of extraordinary general meeting

The Board may convene an extraordinary general meeting whenever it thinks fit and the Board shall convene an extraordinary general meeting if so requested in writing to do so

by a member or members holding at least 10 per cent. of the issued Ordinary Shares and if such request is delivered to the Office. Any meeting convened upon the request of members as aforesaid shall be convened by a notice despatched within 30 days following the receipt of such request. No business shall be transacted except that stated by the requisition or proposed by the Board. If there are not sufficient members of the Board to convene an extraordinary general meeting, any Director or any member of the Company may call an extraordinary general meeting.

51. **Notice of general meetings**

51.1 **Length of notice**

- (a) Subject to Article 51.1(b), all general meetings shall be called by not less than 21 clear days' notice.
- (b) An extraordinary general meeting may be called by not less than 14 clear days' notice if:
 - (i) a special resolution to such effect has been passed at the immediately preceding annual general meeting or at an extraordinary general meeting held since that annual general meeting; and
 - (ii) there is a facility, offered by the Company and accessible to all such members to appoint a proxy by means of a Website or if the the Company otherwise offers the facility for members to vote by electronic means accessible to all members who hold shares that carry rights to vote at a general meeting.
- (c) Subject to the provisions of the Act, and although called by shorter notice than that specified in Article 51.1(a), a general meeting is deemed to have been duly called if it is so agreed:
 - (i) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 per cent. in par value of the shares giving that right.

51.2 **Form of notice**

Every notice convening a general meeting shall:

- (a) state whether the meeting is an annual general meeting or an extraordinary general meeting;
- (b) where the meeting is an annual general meeting, include the statements required by Article 51.3 , where applicable;
- (c) state the place, the day and the time of the meeting (including any satellite meeting place arranged for the purpose of Article 68 (Satellite meetings), which shall be identified as such in the notice of meeting);
- (d) in the case of special business, state the general nature of that business;

- (e) if the meeting is convened to consider a special resolution, include the text of the resolution and the intention to propose the resolution as a special resolution;
- (f) state with reasonable prominence that a member entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and to appoint more than one proxy in relation to the meeting (provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him), and that a proxy need not also be a member;
- (g) state the address of the Website on which the information required by Article 52 (Publication of information in advance of general meeting) is published;
- (h) state that the right to vote at the meeting is determined by reference to the Register and the time when that right will be determined, which shall not be more than 48 hours before the time fixed for the meeting. In calculating the period referred to in this Article 51.2(h), no account shall be taken of any part of a day that is not a business day;
- (i) state the procedures with which members must comply in order to be able to attend and vote at the meeting (including the date by which they must comply);
- (j) give details of any forms to be used for the appointment of a proxy;
- (k) state the right of members to ask questions in accordance with Article 63 (Questions at meetings); and
- (l) include details of any arrangements made for the purpose of Article 68 (Satellite Meetings), making it clear that participation in those arrangements will amount to attendance at the meeting to which the notice relates. Participation in such arrangements may be made subject only to such requirements and restrictions as are necessary to ensure the identification of those taking part and the security of any electronic communication and as are proportionate to the achievement of those objectives.

51.3 *Notice of annual general meeting*

Where a notice calling an annual general meeting of the Company is given more than six weeks before the meeting, the notice must include:

- (a) a statement of the right under Article 54 (Members' power to require circulation of resolutions for annual general meetings) to require the Company to give notice of a resolution to be moved at the meeting; and
- (b) a statement of the right under Article 55 (Members' power to include other matters in business dealt with at an annual general meeting) to require the Company to include a matter in the business to be dealt with at the meeting.

51.4 *Entitlement to receive notice*

The notice shall be given to the members (other than any who under the provisions of the Articles or of any restrictions imposed on any shares are not entitled to receive notice from the Company), to the Directors and to the Auditors and if more than one for the time being, to each of them.

52. Publication of information in advance of general meeting

52.1 The Company must ensure that the following information relating to a general meeting of the Company is made available on a Website:

- (a) the matters set out in the notice of the meeting;
- (b) the total numbers of shares in the Company and shares of each class in respect of which members are entitled to exercise voting rights at the meeting;
- (c) the totals of the voting rights that members are entitled to exercise at the meeting in respect of the shares of each class; and
- (d) members' resolutions and members' matters of business received by the Company after the first date on which notice of the meeting is given.

52.2 Access to the information required by Article 52.1 on the Website, and the ability to obtain a hard copy of the information from the Website, must not be conditional on payment of a fee or otherwise restricted.

52.3 The information required by Article 52.1 must be made available:

- (a) in the case of information required by Articles 52.1(a) to 52.1(c), on or before the first date on which notice of the meeting is given; and
- (b) in the case of information required by Article 52.1(d), as soon as reasonably practicable,

and must be kept available throughout the period of two years beginning with the date on which it is first made available on a Website in accordance with this Article or for part of that period only if, due to circumstances that it would not be reasonable for the Company to prevent or avoid, the Company is unable to keep such information available for such period.

52.4 The amounts mentioned in Article 52.1(b) and Article 52.1(c) must be ascertained by the Company at the latest practicable time before the first date on which notice of the meeting is given.

52.5 Failure to comply with this Article 52 does not affect the validity of the meeting or of anything done at the meeting.

53. Additional provisions relating to notice

53.1 The accidental omission to send a notice of meeting or any resolution intended to be made at a meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy or other document relating to a meeting, to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

53.2 The Board may determine that persons entitled to receive notices of meeting are those persons entered on the Register at the close of business on a day determined by the Board, provided that, in relation to Participating Securities, the day determined by the Board may not be more than 21 days before the day that the relevant notice of meeting is being given.

- 53.3 The notice of meeting (including an adjourned meeting) must also specify a time (which shall not be more than 48 hours before the time fixed for the meeting) by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. Changes to entries on the Register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote. In calculating the period referred to in this Article 53.3 no account shall be taken of any part of a day that is not a business day.
- 53.4 Any document or information relating to proceedings at the meeting may be sent by electronic means to the electronic address provided by the Company, subject to any conditions or limitations specified in the relevant notice of meeting.
54. **Members' power to require circulation of resolutions for annual general meetings**
- 54.1 The members of the Company may require the Company to give, to members of the Company entitled to receive notice of the next annual general meeting, notice of a resolution which may properly be moved and is intended to be moved at that meeting.
- 54.2 A resolution may properly be moved at an annual general meeting unless:
- (a) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Articles or otherwise);
 - (b) it is defamatory of any person;
 - (c) it is frivolous or vexatious.
- 54.3 The Company is required to give notice of a resolution once it has received requests that it do so from:
- (a) members representing at least 10% of the total voting rights of all the members who have a right to vote on the resolution at the annual general meeting to which the requests relate; or
 - (b) at least 100 members who have a right to vote on the resolution at the annual general meeting to which the requests relate and hold shares in the Company on which there has been paid up an average sum, per member, of at least US\$100.
- 54.4 A request pursuant to Article 54.3:
- (a) may be in hard copy form or in electronic form;
 - (b) must identify the resolution of which notice is to be given;
 - (c) must be authenticated by the person or persons making it; and
 - (d) must be received by the Company not later than six weeks before the annual general meeting to which the requests relate or, if later, the time at which notice is given of that meeting.
55. **Members' power to include other matters in business dealt with at an annual general meeting**
- 55.1 The members of the Company may request the Company to include in the business to

be dealt with at an annual general meeting any matter (other than a proposed resolution) which may properly be included in the business of such annual general meeting.

55.2 A matter may properly be included in the business at an annual general meeting unless:

- (a) it is defamatory of any person; or
- (b) it is frivolous or vexatious.

55.3 The Company is required to include such a matter once it has received requests that it do so from:

- (a) members representing at least 10% of the total voting rights of all the members who have a right to vote at the meeting; or
- (b) at least 100 members who have a right to vote at the meeting and hold shares in the Company on which there has been paid up an average sum, per member, of at least US\$100.

55.4 A request pursuant to Article 55.1:

- (a) may be in hard copy form or in electronic form;
- (b) must identify the matter to be included in the business;
- (c) must be accompanied by a statement setting out the grounds for the request;
- (d) must be authenticated by the person or persons making it; and
- (e) must be received by the Company not later than six weeks before the meeting or, if later, the time at which notice is given of the meeting.

56. **Special business**

All business that is transacted at a general meeting shall be deemed special, except the following transactions at an annual general meeting:

- (a) the declaration of dividends;
- (b) the receipt and consideration of any annual accounts and any report of the Directors and the Auditors and other documents attached or annexed to the accounts;
- (c) the election or re-election of Directors;
- (d) the fixing of the Directors fees pursuant to Article 102 (Directors' fees); and
- (e) the re-appointment of the Auditors retiring (unless they were last appointed otherwise than by the Company in general meeting) and the fixing of the remuneration of the Auditors or the determination of the manner in which such remuneration is to be fixed.

57. **Amendment to the Articles**

The Company may only amend the Articles by special resolution.

58. No written resolutions

The Company may not propose or pass any resolution of the Company otherwise than at an annual general meeting or extraordinary general meeting of the Company and section 71 of the Act shall not apply to the Company.

K. Proceedings at general meetings

59. Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the choice or appointment of a Chairman which shall not be treated as part of the business of the meeting. Two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum. The provisions of section 67(4) of the Act are hereby excluded.

60. If quorum not present

60.1 If within 15 minutes (or such longer interval not exceeding one hour as the Chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to such other day and at such time and place as the Chairman (or, in default, the Board) may determine, being not less than 14 nor more than 28 days thereafter. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

60.2 The Company shall give at least 10 clear days' notice of any meeting adjourned through lack of quorum pursuant to Article 60.1. No business may be dealt with at any meeting adjourned for the lack of a quorum the general nature of which was not stated in the notice convening the original meeting.

61. Security and meeting place arrangements

61.1 Searches

The Board may direct that members or proxies wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to or eject from such general meeting to any member or proxy or corporate representatives who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions or who causes the proceeding to become disorderly.

61.2 Inadequate meeting place

If it appears to the Chairman that the meeting place specified in the notice convening the meeting or any satellite meeting place is inadequate to accommodate all members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its

proceedings valid provided that the Chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place, any satellite meeting place or elsewhere, and to be heard and seen by all other persons so present in the same manner.

62. Chairman

The Chairman of the Board shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or if at any meeting he shall not be present within five minutes after the time appointed for holding the meeting or shall be unwilling to act as Chairman, the Deputy Chairman (if any) of the Board shall if present and willing to act preside as Chairman at such meeting. If no Chairman or Deputy Chairman shall be so present and willing to act, the Directors present shall choose one of their number to act or, if there be only one Director present, he shall be Chairman if willing to act. If no Director is willing to act as Chairman of the meeting or, if no Director is present within five minutes of the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be Chairman of the meeting. Without prejudice to any other power which he may have under the provisions of the Articles or at common law, the Chairman may take such action as he thinks fit to promote the orderly conduct of the business of the meeting as specified in the notice of meeting and the Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final, as shall be his determination as to whether any matter is of such a nature.

63. Questions at meetings

63.1 Subject to Article 63.2, at a general meeting of the Company, the Company must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting.

63.2 No answer need be given pursuant to Article 63.1 if:

- (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- (ii) the answer has already been given on a Website in the form of an answer to a question; or
- (iii) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

64. Director may attend and speak

A Director shall notwithstanding that he is not a member be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company. The Chairman may invite any person to attend and speak at any general meeting of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

65. Power to adjourn

The Chairman of the general meeting may, with the consent of a meeting at which a quorum is present, and shall if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as he shall determine. However, without prejudice to any other power which he may have under the Articles or at common law the Chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting or to ensure that the business of the meeting is otherwise properly disposed of.

66. Notice of adjourned meeting

66.1 Where a meeting is adjourned for 28 days or more or for an indefinite period pursuant to Article 65, at least seven clear days' notice, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given as required and in the same manner as in the case of an original meeting. Except in these circumstances, it is not necessary to give notice of a meeting adjourned pursuant to Article 65.

66.2 The notice of an adjourned meeting given in accordance with this Article must also specify a time (which shall not be more than 48 hours before the time fixed for the meeting) by which a person must be entered on the Register in order to have the right to attend or vote at the meeting. Changes to entries on the Register after the time so specified in the notice shall be disregarded in determining the rights of any person to so attend or vote. In calculating the period referred to in this Article 66.2, no account shall be taken of any part of a day that is not a business day.

66.3 The Board may determine that persons entitled to receive notice of an adjourned meeting in accordance with this Article 66 are those persons entered on the Register at the close of business on a day determined by the Board, provided that, if the Company is then a participating issuer for the purposes of the Uncertificated Regulations, the day determined by the Board may not be more than 21 days before the day that the relevant notice of meeting is being sent.

67. Business of adjourned meeting

Subject to Article 60.2, no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

68. Satellite meetings

68.1 The Board may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending at all the meeting places are able to:

- (a) participate in the business for which the meeting has been convened;
- (b) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and
- (c) be heard and seen by all other persons present in the same way.

69. Chairman of satellite meetings

The Chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place.

L. Voting

70. Method of voting

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) by at least five members present in person or by proxy having the right to vote at the meeting; or
- (c) a member or members present in person or by proxy representing not less than one tenth of the voting rights of all the members having the right to vote at the meeting; or
- (d) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right; or
- (e) the Board prior to the meeting,

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

71. Chairman's declaration conclusive on show of hands

Unless a poll is duly demanded and the demand is not withdrawn a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

72. Objection to error in voting

No objection shall be raised to the qualification of any voter or to the counting of or

failure to count any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that it is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.

73. **Amendment to resolutions**

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, any error in such ruling shall not invalidate the proceedings on the substantive resolution. In the case of a resolution duly proposed as a special resolution no amendment to it (other than an amendment to correct a patent error) may in any event be considered or voted on. In the case of a resolution, no amendment to it (other than an amendment to correct a patent error) may be considered or voted upon unless notice of such proposed amendment is given to the Office at least 48 hours prior to the time appointed for holding the relevant meeting or adjourned meeting or (in the absence of any such notice) the Chairman of the meeting in his absolute discretion rules that the amendment is fit for consideration and/or the voting on at the meeting.

74. **Procedure on a poll**

74.1 ***Timing of poll***

Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken forthwith. A poll duly demanded on any other matter shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 clear days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman shall direct. The Chairman 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. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

74.2 ***Continuance of the meeting***

The demand for a poll (other than on the election of the Chairman or on a question of adjournment) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result on a show of hands and the demand is duly withdrawn the meeting shall continue as if the demand had not been made.

74.3 ***Withdrawal of demand for a poll***

The demand for a poll may before the poll is taken, be withdrawn, but only with the consent of the Chairman. A demand so withdrawn shall validate the result of a show of hands declared before the demand was made. If a demand is withdrawn, the persons entitled in accordance with Article 70 (Method of voting) may demand a poll and the

meeting shall continue as if the demand had not been made.

74.4 *Voting on a poll*

On a poll votes may be given in person or by proxy or (in the case of a corporate member) by a duly appointed representative. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

75. *Votes of members*

75.1 *Number of votes*

Subject to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to the Articles, at any general meeting:

- (a) on a vote on a resolution on a show of hands:
 - (i) every member who is present in person has one vote;
 - (ii) subject to Article 75.1(a)(iii), every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote; and
 - (iii) every proxy present who has been duly appointed by more than one member entitled to vote on the resolution and who has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it has one vote for and one vote against the resolution.
- (b) on a vote on a resolution on a poll, every member (whether present in person or by proxy) has one vote for every share of which he is the holder.

75.2 *Joint holders*

If two or more persons are joint holders of a share, then in voting on any question 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 holder(s). For this purpose seniority shall be determined by the order in which the names of the holders stand in the Register.

75.3 *Receivers and other persons*

Where in the Isle of Man or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Board may in its absolute discretion on or subject to production of such evidence of the appointment as the Board may require, permit such receiver or other person authorised by a court or official, to vote in person or, on a poll, by proxy on behalf of such member at any general meeting. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

75.4 *Corporate representatives*

- (a) A corporation which is a member may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares (a "**representative**").
- (b) Subject to Article 75.4(c), a representative is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company.
- (c) Where a corporation authorises more than one representative:
 - (i) on a vote on a resolution on a show of hands at a general meeting each representative has the same voting rights as the corporation would be entitled to;
 - (ii) if Article 75.4(c)(i) does not apply and more than one representative purport to exercise a power under Article 75.4(b) in respect of the same share:
 - (A) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
 - (B) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.
- (d) A Director, secretary or other person authorised for the purpose by the secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

76. **Voting by proxy**

Any person (whether a member of the Company or not) may be appointed to act as a proxy. Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment of it.

77. **Form of proxy**

The appointment of a proxy shall:

- (a) subject to Article 78.1, be in hard copy in any common form or in such other form as the Board may approve executed under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of some officer or attorney duly authorised to sign;
- (b) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit, but shall not confer any further right to speak at the meeting except with the permission of the Chairman;

- (c) unless the contrary is stated in it be valid as well for any adjournment of the meeting as for the meeting(s) to which it relates; and
- (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.

78. Appointment of proxy by electronic means

78.1 The Company shall provide an electronic address for the receipt of any document (including, the appointment of a proxy for a meeting, any document necessary to show the validity of, or otherwise relating to, the appointment of the proxy and any notice of the termination of the authority of a proxy) or information relating to proxies for a general meeting either:

- (a) by giving it when sending out an instrument of proxy for the purposes of the meeting or issuing an invitation to appoint a proxy for those purposes; or
- (b) by ensuring that it is made available on the Website throughout the period beginning with the first date on which notice of the meeting is given and ending with the conclusion of the meeting.

78.2 The Company shall be deemed to have agreed that any document or information relating to proxies for the meeting may be sent by electronic means to the electronic address provided (subject to any limitations specified by the Company when providing the electronic address).

79. Deposit of proxy

79.1 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Board shall:

- (a) in the case of an instrument in hard copy form, be deposited by personal delivery, post or facsimile transmission at the Office or at such other place within the Isle of Man or elsewhere as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of an appointment sent by electronic means, be received at such electronic address as has been specified in accordance with Article 78.1 not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
- (c) in the case of a poll taken more than 48 hours after it is demanded be deposited as aforesaid after the poll has been demanded and not less than 24 hours (or such shorter time as the Board may determine) before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting,

and an appointment of a proxy not deposited, delivered or received in a manner so

permitted shall be invalid.

The Board may at its discretion determine that, in calculating the periods mentioned in this Article 79.1, no account shall be taken of any part of any day that is not a business day.

79.2 Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of an Uncertificated System and received by such participant in the Uncertificated System acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the Uncertificated System)); and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

79.3 No appointment of a proxy shall be valid after the expiry of 12 months from the date named in it as the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within 12 months from such date.

79.4 The proceedings at a general meeting shall not be invalidated where an appointment of a proxy in respect of that meeting is delivered in a manner permitted by the Articles by electronic means, but because of a technical problem it cannot be read by the recipient.

80. More than one proxy may be appointed

A member may appoint more than one proxy to attend on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. When two or more valid but differing appointments of proxy are delivered in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered, none of them shall be treated as valid in respect of that share.

81. Board may supply proxy cards

Subject to the requirements of the Listing Rules, the Board may at the expense of the Company send by post or otherwise forms of appointment of proxy (reply-paid or otherwise) with the notice convening any general meeting to members entitled to vote at the meeting. Such forms of appointment of proxy shall provide for at least three-way voting on all resolutions to be proposed at the meeting other than the resolutions relating to the procedure of the meeting. If for the purpose of any meeting forms of appointment of proxy or invitations to appoint as a proxy a person or one of a number of persons

specified in the invitation are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission or the failure to send or make available an appointment of proxy or the non receipt of it by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

82. **Revocation of proxy**

A vote given or poll demanded in accordance with the terms of an appointment of a proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment of the proxy, or of the authority under which the appointment of the proxy was executed or the transfer of the share in respect of which the appointment of the proxy is given unless notice of such death, mental disorder, revocation or transfer shall have been delivered to or received by the Company not later than the latest time at which the proxy should have been delivered to or received by the Company in order to be valid for use at the meeting or adjourned meeting at which the proxy is used, or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) not later than 24 hours before the time of the taking of the poll at which the vote is cast. Such notice of determination shall be either by means of an instrument delivered to the Office or to such other place within the Isle of Man or elsewhere as may be specified by or on behalf of the Company in accordance with Article 79.1(a) (Deposit of proxy) or sent by electronic means and received at the electronic address specified by or on behalf of the Company in accordance with Article 79.1(b) (Deposit of proxy), regardless of whether any relevant proxy appointment was effected by means of an instrument or contained in a communication sent by electronic means. For the purpose of this Article, any communication sent by electronic means which contained such notice of determination need not be in writing if the Board has determined that the communication sent by electronic means which contains the relevant proxy appointment need not be in writing.

83. **Disclosure of interests in shares and suspension of interests**

83.1 ***Disclosure of substantial interests in shares***

Each member shall comply with the notification obligations to the Company contained in Chapter 5 of the Disclosure and Transparency Rules as if the Company were a UK issuer for the purposes of these rules.

83.2 ***Disenfranchisement notice***

The Board may at any time serve an Information Notice upon a member or another person appearing to be interested in shares held by that member. If a member has been issued with an Information Notice and has failed in relation to any shares the subject of the Information Notice ("**notice shares**") to furnish any information required by such notice within the time period specified therein, then the Board may at any time following 14 days from the expiry of the date on which the information required to be furnished pursuant to the relevant Information Notice is due to be received by the Board, serve on the relevant holder a notice (in this Article called a "**disenfranchisement notice**") whereupon the following sanctions shall apply:

(a) ***Voting***

the member shall not with effect from the service of the disenfranchisement

notice be entitled in respect of the notice shares to attend or to vote (either in person or by representative or proxy) at any general meeting of the Company or at any separate meeting of the holders of any class of shares of the Company or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

(b) *Dividends and transfers*

where the notice shares represent at least 0.25 per cent. in par value of their class:

- (i) any dividend (or part of a dividend) or other money payable in respect of the notice shares shall be withheld by the Company, which shall not have any obligation to pay interest on it and the member shall not be entitled to elect pursuant to Article 145 (Payment of scrip dividends) to receive shares instead of that dividend; and
- (ii) subject in the case of uncertificated shares to the Uncertificated Regulations no transfer, other than an approved transfer, of any notice shares held by the member shall be registered unless the member is not himself in default as regards supplying the information required pursuant to the relevant Information Notice and the member proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

83.3 *Withdrawal notice*

The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the shares to which the same relates a notice in writing to that effect (a "**withdrawal notice**").

83.4 *Cessation of sanctions*

Where the sanctions under Article 83.1 (Disenfranchisement notice) apply in relation to any shares they shall cease to have effect:

- (a) if the shares are transferred by means of an approved transfer;
- (b) at the end of the period of one week (or such shorter period as the Board may determine) following receipt by the Company of the information required by the notice mentioned in Article 83.1 (Disenfranchisement notice) and the Board being fully satisfied that such information is full and complete; or
- (c) on the date on which a withdrawal notice is served by the Company.

83.5 *Certificated form*

The Board may:

- (a) give notice in writing to any member holding notice shares in uncertificated form requiring the member to change his holding of such notice shares from uncertificated form into certificated form within a specified period and then to hold such notice shares in certificated form until the issue of a withdrawal

notice; and

- (b) appoint any person to take any steps, by instruction by means of an Uncertificated System or otherwise, in the name of any holder of notice shares as may be required to change such shares from uncertificated form into certificated form (and such steps shall be effective as if they had been taken by such holder).

M. Untraced members

84. Power of sale

84.1 Untraceable members

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

- (a) during the period of 12 years prior to the date of the publication of the advertisements referred to in Article 84.1(b) (or if published on different dates, the earlier or earliest of them) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person provided that during such period of 12 years at least three cash dividends (whether interim or final) in respect of the shares in question have become payable and no such dividend during that period has been claimed by the person entitled to it;
- (b) on or after expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisements in both a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area in which the last known address of such member or person appeared;
- (c) the said advertisements, if not published on the same day, shall have been published within 30 days of each other;
- (d) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates the later or latest of them) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
- (e) if required, the Company has given notice in accordance with the regulations of the relevant regulatory authority of its intention to make such sale and shall, if appropriate, have obtained the approval of the relevant regulatory authority to the proposed form of the said advertisement, if shares of the class concerned are admitted to a securities list and/or a recognised investment exchange.

84.2 Perfection of transfer

To give effect to any sale of shares pursuant to this Article 84 (Power of sale) the Board

may in the case of certificated shares authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the Register notwithstanding the absence of any share certificate being lodged in respect of it and may issue a new certificate to the transferee and in the case of uncertificated shares exercise any power conferred on it by Article 20.5 (Forfeiture and sale) to effect a transfer of the shares. The purchaser shall not be bound to see to the application of the purchase moneys in respect of any such sale nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale or transfer. Any instrument or exercise shall be effective as if it had been executed or exercised by the holder of or the person entitled by transmission to the shares to which it relates.

84.3 Additional shares

If during the period of 12 years referred to in Article 84.1 (Untraceable members) or during any period ending on the date when all the requirements of paragraphs (a) to (d) of Article 84.1 have been satisfied, any additional shares have been issued in respect of those held at the beginning of such period or of any previously so issued during such period and all the requirements of paragraphs (b) to (d) of Article 84.1 have been satisfied in regard to such additional shares the Company shall also be entitled to sell the additional shares.

85. Application of proceeds of sale

The Company shall account to the member or other person entitled to such share or shares for the net proceeds of such sale by carrying all moneys in respect of it to a separate account. The Company shall be deemed to be a debtor to and not a trustee for such member or other person in respect of such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

N. Appointment, retirement and removal of directors

86. Number of Directors

Unless and until otherwise determined by the Company by ordinary resolution the number of Directors (other than any alternate Directors) shall be not less than three or more than twelve.

87. Power of Company to appoint Directors

Subject to the provisions of the Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy, or as an addition to the existing Board. Any Director so appointed shall hold office only until the conclusion of the annual general of the Company next following such appointment and shall then be eligible for re-election. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles.

88. Power of Board to appoint Directors

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles. Any Director so appointed shall hold office only until the dissolution of the annual general meeting of the Company next following such appointment and shall then be eligible for re-election. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.

89. Eligibility of new Directors

No person other than a Director retiring at the meeting shall be appointed or re-appointed a Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than seven nor more than 35 clear days before the date appointed for the meeting, notice, duly executed by a member (other than the person to be proposed) qualified to vote at the meeting, has been given to the Company (by being lodged at the Office) of the intention to propose that person for appointment or re-appointment stating:
 - (i) the particulars which would if he were so appointed or re-appointed be required to be included in the Company's register of directors;
 - (ii) the particulars required to enable the Company to make a notification in accordance with rule 9.6.13 of the Listing Rules; and
 - (iii) such biographical details and other information required to enable the Company to comply with code provision A.7.1 of the Combined Code on Corporate Governance,

together with notice executed by that person of his willingness to be appointed or re-appointed.

90. Share qualification

A Director shall not be required to hold any shares.

91. Resolution for appointment

A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved unless a resolution that it shall be so proposed 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. For the purpose of this Article, a resolution for approving a person's appointment or for nominating a person for appointment as a Director shall be treated as a resolution for his appointment.

92. No retirement on account of age

No person shall be or become incapable of being appointed or re-appointed a Director by reason of his having attained the age of seventy or any other age, nor shall any special

notice be required in connection with the appointment, re-appointment or the approval of the appointment of such person. No Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age.

93. Annual Election

93.1 Election

At each annual general meeting every Director, shall retire from office. A retiring Director shall be eligible for re-election and a Director who is re-elected will be treated as continuing in office without a break.

93.2 Timing of retirement

The retirement of any Director retiring at a general meeting in accordance with this Article and who is not re-elected at such meeting shall not have effect until the conclusion of the meeting.

94. Removal by ordinary resolution

In addition to any power of removal conferred by the provisions of the Act, the Company may by ordinary resolution remove a Director before the expiry of his period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may (subject to the Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place. A person appointed in this way is treated, for the purposes of determining the time at which he or another Director is to retire, as if he had become a Director on the date on which the person in whose place he is appointed was last appointed or reappointed a Director.

95. Vacation of office by Director

Without prejudice to any provisions for retirement contained in the Articles the office of a Director shall be vacated if:

- (a) he resigns by notice in writing delivered to the Company's registered agent or the Office or tendered at a Board meeting in which event he shall vacate that office on the service of that notice on the Company or at such later time as is specified in the notice or he offers in writing to resign from his office and the Directors resolve to accept such offer; or
- (b) he ceases to be a Director by virtue of any provision of the Act, is removed from office pursuant to the Articles or becomes prohibited by law from being a Director (including, without limitation, by virtue of section 93 of the Act); or
- (c) he has an interim receiving order made against him, makes any arrangement or compounds with his creditors generally; or
- (d) he has been appointed on a fixed term and the term expires; or
- (e) an order is made by any court of competent jurisdiction (whether in the Isle of Man, the United Kingdom or elsewhere) on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his property or affairs or he is admitted to hospital in pursuance of an application for admission for

treatment under any statute for the time being in force in the Isle of Man or the United Kingdom relating to mental disorder or, in any other territory, in pursuance of an application for admission under analogous legislation or regulations and the Board resolves that his office be vacated; or

- (f) he shall be absent, without the permission of the Board, from Board meetings for six consecutive months (whether or not an alternate director appointed by him attends) and the Board resolves that his office be vacated; or
- (g) he is requested to resign by notice in writing addressed to him at his address as shown in the register of Directors and signed by all the other Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company); or
- (h) he is convicted of an indictable offence and the Directors shall resolve that it is undesirable in the interests of the Company that he remains a Director of the Company; or
- (i) the conduct of that Director (whether or not concerning the affairs of the Company) is the subject of either (i) an application by the Isle of Man Government Treasury pursuant to section 26 of the Companies Act 1992 to the Isle of Man High Court or (ii) an investigation by the police of any jurisdiction and the Board shall resolve that it is undesirable that he remains a Director; or
- (j) notice is given to terminate his contract of employment or engagement with the Company where he is in breach of such contract; or
- (k) he has been disqualified from acting as a director; or
- (l) subsequent to his appointment, he becomes resident in the United Kingdom and as a result thereof the majority of the Directors are resident in the United Kingdom;

If the office of a Director is vacated for any reason he shall cease to be a member of any committee of the Board.

96. Resolution as to vacancy conclusive

A resolution of the Board declaring a Director to have vacated office under the terms of Article 95 (Vacation of office by Director) shall be conclusive as to the facts and grounds of vacation stated in the resolution.

O. Alternate Directors

97. Appointments

97.1 Identity of appointee

Each Director (other than an alternate Director) may by notice in writing under his hand delivered to the Company's registered agent or the Office or tabled at a meeting of the Directors or in any other manner approved by the Board appoint any other Director or any person approved for that purpose by the Board and willing to act to be his alternate and may in like manner remove from office an alternate director so appointed by him.

97.2 Method of appointment

No appointment of an alternate Director shall be effective until his consent to act as a Director has been received by the Company's registered agent or at the Office.

97.3 Nature of alternate

An alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum number of Directors allowed by the Articles.

98. Participation in Board meetings

98.1 Right to participate

Every alternate Director shall (subject to his giving to the Company an address within the British Isles at which notices may be served on him or an address at which notices may be served on him by electronic means) be entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote and be counted in the quorum at such meetings and to exercise all the powers, rights, duties and authorities of his appointor as a Director. A Director acting as alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director, in addition to his own vote (if any), but he shall count as only one person for the purpose of determining whether a quorum is present.

98.2 Alternate's authority

Execution by an alternate Director of any resolution in writing of the Directors or of a committee of the Directors shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member.

99. Alternate Director responsible for own acts

99.1 Responsibility for defaults

Every person acting as an alternate Director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him.

99.2 Status of alternate

Save as otherwise provided in the Articles, an alternate Director shall be subject in all respects to the provisions of the Articles relating to Directors and shall be deemed for all purposes to be a Director.

100. Interests of alternate Director

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director. However, he shall not, unless the Company by resolution otherwise determines, be entitled to receive

from the Company any fees for his services as alternate except only such part (if any) of the fee payable to his appointor as such appointor may by notice in writing to the Company direct. Subject to this Article, the Company shall pay to an alternate Director such expenses as might properly have been paid to him if he had been a Director.

101. **Revocation of appointment**

An alternate Director shall cease to be an alternate Director:

- (a) if his appointor, by notice delivered to the secretary at the Office or tabled at a meeting of the Board, revokes his appointment; or
- (b) if his appointor ceases for any reason to be a Director, provided that if any Director retires by rotation or otherwise but is re-appointed or deemed to be re-appointed at the same meeting at which he retires, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force; or
- (c) if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate office.

P. Directors' remuneration, expenses and pensions

102. **Directors' fees**

102.1 Unless otherwise decided by the Company by ordinary resolution, the Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine, provided that such amount shall not exceed in aggregate £5,000,000 per annum or such other sum as the Company in general meeting shall from time to time determine by resolution). Such sum (unless otherwise directed by the resolution of the Company by which it is voted) shall be divided among the Directors in such proportions and in such manner as the Board may determine or in default of such determination, equally (except that in such event any Director holding office for less than the whole of the relevant period in respect of which the fees are paid shall only rank in such division in proportion to the time during such period for which he holds office). Any fees payable pursuant to this Article shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provisions of the Articles and shall accrue from day to day.

102.2 Subject to the provisions of the Act and to the Articles, the Board may arrange for part of a fee payable to a director under this Article to be provided in the form of fully-paid shares in the capital of the Company. The amount of the fee payable in this way shall be at the discretion of the Board and shall be applied in the purchase or subscription of shares on behalf of the relevant director. In the case of a subscription of shares, the subscription price per share shall be deemed to be the closing middle-market quotation for a fully-paid share of the Company of that class as published in the Daily Official List of the London Stock Exchange (or such other quotation derived from such other source as the Board may deem appropriate) on the day of subscription.

103. **Expenses**

103.1 Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director, including any expenses incurred in attending meetings of the Board or any committee of

the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company.

103.2 Subject to the provisions of the Act and the Listing Rules, the Company may also fund a Director's expenditure on defending proceedings (including investigations by or action proposed to be taken by any regulatory authority) or in connection with any application under the Act and may do anything to enable a director to avoid incurring such expenditure.

104. **Additional remuneration**

If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of a lump sum or by way of salary, commission, participation in profits or otherwise) and expenses as the Board may from time to time determine.

105. **Remuneration of executive Directors**

The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of the Articles may be either a fixed sum of money or may altogether or in part be governed by business done or profits made or otherwise determined by the Board and may be in addition to or in lieu of any fee payable to him for his services as Director pursuant to the Articles.

106. **Pensions and other benefits**

The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for or to institute and maintain any institution, association, society, club, trust, other establishment or profit sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the Company or to benefit any person who is or has at any time been a Director of the Company or any company which is or was a subsidiary company of or allied to or associated with the Company or any such subsidiary or any predecessor in business of the Company or of any such subsidiary and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the Act, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with, any of the aforesaid matters or bodies. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Article and shall not be obliged to account for it to the Company.

Q. Powers and duties of the Board

107. **Powers of the Board**

The management and control of the business of the Company shall be in and from the Isle of Man. Subject to the provisions of the Act, the memorandum of association of the

Company and the Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the memorandum of association, or of the Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in the Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article.

108. **Powers of Directors being less than minimum number**

If the number of Directors is less than the minimum for the time being prescribed by the Articles or decided by the Company by ordinary resolution the remaining Director or Directors shall act only for the purposes of appointing an additional Director or Directors to make up such minimum or of convening a general meeting of the Company for the purpose of making such appointment. If there are no Director or Directors able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors. Subject to the provisions of the Articles, any additional Director so appointed shall hold office only until the dissolution of the annual general meeting of the Company next following such appointment unless he is re-elected during such meeting.

109. **Powers of executive Directors**

The Board may from time to time:

- (a) delegate or entrust to and confer on any Director holding executive office (including a Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit; and
- (b) revoke, withdraw, alter or vary all or any of such powers.

110. **Delegation to committees**

110.1 ***Constituting committees***

- (a) The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more persons (whether a member or members of the Board or not) as it thinks fit, provided that any such committee shall only meet and exercise its powers, authorities and discretions from outside the United Kingdom and Russia.
- (b) Any committee so formed may exercise its power to sub-delegate by sub-delegating to any person or persons (whether or not a member or members of the Board or of the committee), provided that any such person or persons shall only exercise their powers from outside the United Kingdom and Russia.

110.2 ***Powers of committee***

The Board may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so

delegated any reference in the Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee. Subject to any terms and conditions expressly imposed by the Board, the proceedings of a committee with two or more members shall be governed by such of the Articles as regulate the proceedings of the Board so far as they are capable of applying.

111. Local management

The Board may establish any local group or divisional boards or agencies for managing any of the affairs of the Company in any specified locality either in the Isle of Man or elsewhere, and may appoint any persons to be members of such local or divisional board or any managers or agents, may fix their remuneration and remove any person so appointed. The Board may delegate to any local group or divisional board manager or agent so appointed any of its powers, authorities and discretions other than the power to borrow and make calls (with power to sub-delegate) and may authorise the members for the time being of any such local or divisional board or any of them to fill any vacancies and to act notwithstanding vacancies, and any such appointment or delegation may be made for such time on such terms and subject to such conditions as the Board may think fit. The Board may confer such powers either collectively with or to the exclusion of and in substitution for all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local group or divisional board or agency with two or more members shall be governed by such of the Articles as regulate the proceedings of the Board so far as they are capable of applying.

112. Power of attorney and agents

The Board may by power of attorney or otherwise appoint any company, firm, person or persons (including registrars) to be the agent or attorney of the Company and may delegate to any such agent or attorney or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and subject to such conditions as it thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers. Any such appointment or power of attorney may contain such provisions for the protection and convenience of persons dealing with any such agent or attorney as the Board may think fit and may also authorise any such agent or attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

113. Associate Directors

The Board may appoint any person (not being a Director) to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the Company such designation or title and may define, limit, vary or restrict the powers, authorities and discretions of persons so appointed and may terminate any such appointment subject to any contract between him and the Company or the use of such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that such person is or is deemed to be or is empowered in any respect to act as a Director or a member of any committee of the Board of Directors for any of the purposes of the Act or the

Articles.

114. Exercise of voting power

The Board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised by the Company in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any Director as a director or other officer or employee of such company or in favour of the payment of remuneration to the directors, officers or employees of such company).

115. Provision for employees

The Board may exercise any power conferred on the Company by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

116. Borrowing powers

116.1 The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and shares available for issue and, subject to the provisions of the Act, to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party.

116.2 The Board shall restrict the borrowings of the Company and shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to ensure (as regards subsidiary undertakings, to the extent possible) that the aggregate principal amount outstanding in respect of moneys borrowed by the group does not at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to three times the adjusted capital and reserves.

116.3 In this Article 116:

- (a) **"adjusted capital and reserves"** means a sum equal to the aggregate of:
- (i) the amount paid up on the allotted share capital of the Company; and
 - (ii) the amount standing to the credit or debit of the consolidated reserves of the Company and its subsidiary undertakings;
- all as shown in the relevant balance sheet but after:
- (iii) making all adjustments which are, in the opinion of the Board, necessary or appropriate to take account of:
 - (A) a variation in the amounts referred to in Articles 116(a)(i) and (ii) since the date of the relevant balance sheet arising out of the allotment of shares; for this purpose if a proposed allotment of shares by the Company for cash has been underwritten, those shares are deemed to have been allotted and the amount

(including any premium) of the subscription moneys payable in respect of those shares (not being moneys payable later than six months after the date of allotment) are deemed to have been paid up to the extent underwritten on the date on which the issue of those shares was underwritten (or, if the underwriting was conditional, the date on which it became unconditional); and

(B) other changes in circumstances since the date of the relevant balance sheet;

(b) **"group"** means:

(i) the Company;

(ii) all undertakings (including but not limited to any of the Company's subsidiary undertakings) which are included in the consolidated group accounts in which the relevant balance sheet is comprised and which would be so included if group accounts were prepared at the relevant time (as if that time were the end of the Company's financial year); and

(iii) all undertakings (including but not limited to any of the Company's subsidiary undertakings) which are not included in the consolidated group accounts in which the relevant balance sheet is comprised but which would be so included if group accounts were prepared at the relevant time (as if that time were the end of the Company's financial year);

(c) **"group undertaking"** means the Company or another undertaking in the group;

(d) **"moneys borrowed"** means all moneys borrowed including, without limitation:

(i) the nominal amount of and the amount of any premium paid in respect of any allotted share capital (not being equity share capital) of a group undertaking other than the Company not beneficially owned, directly or indirectly, by another group undertaking;

(ii) any amount raised by acceptance under an acceptance credit facility;

(iii) any amount raised under a note purchase facility;

(iv) the amount of any liability in respect of a lease or hire purchase contract which would, in accordance with generally accepted accounting standards in the United Kingdom or the Isle of Man, be treated as a finance or capital lease;

(v) the amount of any liability in respect of a purchase price for assets or services the payment of which is deferred for a period of more than 90 days; and

(vi) any amount raised under another transaction (including, without limitation, a forward sale or purchase agreement) having the commercial effect of a borrowing;

but excluding:

- (vii) borrowings by one group undertaking from another, including the principal amount of any loan capital (whether secured or unsecured) and the nominal amount of any allotted or issued share capital (not being equity share capital) of a group undertaking beneficially owned, directly or indirectly, by another group undertaking;
- (viii) borrowings for the purpose of financing a contract to the extent that the price receivable under the contract is guaranteed or insured by the Export Credits Guarantee Department of the UK Department of Trade and Industry or by another person in another jurisdiction fulfilling a similar function;
- (ix) borrowings for the purpose of, and to be applied within six months of being made in, repaying the whole or part of borrowings that constitute moneys borrowed for the purposes of this Article, pending their application for that purpose within that period;

and in calculating moneys borrowed for the purposes of this Article, there shall be deducted:

- (x) an amount equal to the aggregate of:
 - (A) all cash in hand and cash deposits repayable on demand with any bank or financial institution (not itself a group undertaking); and
 - (B) investments which are readily convertible into known amounts of cash with notice of 48 hours or less;

in each case beneficially owned, directly or indirectly, by a group undertaking and whether denominated in Sterling or in a currency other than Sterling; and

- (e) "**relevant balance sheet**" means the consolidated balance sheet dealing with the state of affairs of the Company and its subsidiary undertakings comprised in the latest group accounts prepared and approved by the Board and on which the auditors have reported.

116.4 When the amount of moneys borrowed to be taken into account for the purposes of this Article on a particular day is being calculated, moneys denominated or repayable in a currency other than the currency in which the relevant balance sheet is prepared (the "**balance sheet currency**") shall be converted for the purpose of calculating the balance sheet currency equivalent either:

- (a) 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
- (b) if those moneys were borrowed on or before the date of the relevant balance sheet and repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:
 - (i) the rate of exchange used for the conversion of that currency in the

relevant balance sheet; or

- (ii) the middle-market rate of exchange quoted by a London clearing bank selected by the Board at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made; or
- (c) if those moneys were borrowed after the date of the relevant balance sheet and repayment of those moneys has not been covered by a hedging agreement, at the more favourable to the Company of:
 - (i) the middle-market rate of exchange quoted by a London clearing bank selected by the Board at the close of business in London on the date of the relevant balance sheet; or
 - (ii) the middle-market rate of exchange quoted by a London clearing bank selected by the Board at the close of business in London on the business day immediately preceding the day on which the calculation falls to be made.

116.5 When calculating moneys borrowed for the purposes of this Article, where a group undertaking has issued and paid-up equity share capital that is not owned, directly or indirectly, by a group undertaking ("**external capital**"):

- (a) the relevant percentage of any borrowings from that group undertaking by another group undertaking may not be excluded pursuant to Article 116.3(d)(vii);
- (b) the relevant percentage of any borrowings made by that group undertaking that constitute moneys borrowed for the purposes of this Article shall be deducted; and
- (c) the relevant percentage of any items falling within Article 116.3(d)(x) beneficially owned, directly or indirectly, by that group undertaking may not be deducted,

and for the purpose of this Article "**relevant percentage**" means a percentage equal to the percentage that the external capital forms of the whole of the issued and paid-up equity share capital of that group undertaking.

116.6 A report of the auditors as to the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed for the purposes of this Article is conclusive and binding on all concerned. Nevertheless the Board may at any time act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves or the aggregate amount of moneys borrowed. If in consequence the limit on moneys borrowed set out in this Article is inadvertently exceeded, the amount of moneys borrowed equal to the excess may be disregarded for 90 days after the date on which by reason of a determination of the auditors or otherwise the Board becomes aware that this situation has or may have arisen.

116.7 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this Article is invalid or ineffectual except where express notice that the limit has been or will be exceeded has been given to the lender or recipient of the security at the time when the debt is incurred or security given. No lender or other person dealing

with the Company is concerned to see or enquire whether the limit is observed.

R. Proceedings of Directors and Committees

117. Board meetings

Subject to the provisions of the Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit. No Board meetings shall take place in the United Kingdom or Russia and any decision reached or resolution passed by the Directors at any meeting taking place in the United Kingdom or Russia shall be invalid and of no effect.

118. Notice of Board meetings

One Director may summon a Board meeting at any time on reasonable notice. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or by electronic means to an address or electronic address given by him to the Company for that purpose or sent to him in hard copy form at his last-known address or another address given by him to the Company for that purpose. A Director may waive the requirement that notice be given to him of any Board meeting either prospectively or retrospectively.

119. Quorum

The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined shall be three persons, each being a Director or an alternate Director. A person who holds office only as an alternate Director shall only be counted in the quorum if his appointor is not present. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for these purposes unless at least one other Director or alternate Director is also present. A duly convened meeting of the Board 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 Board. Any Director who ceases to be a Director at a meeting of the Directors may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting of the Directors if no Director objects and if otherwise a quorum of Directors would not be present.

120. Chairman of Board and other offices

120.1 Appointment of Chairman

The Board shall appoint one or more of its body as Chairman, joint Chairman or Deputy Chairman of the Board and shall determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such Chairman or Deputy Chairman is elected or if at any meeting neither a Chairman nor a Deputy Chairman is present within five minutes of the time appointed for holding it, the Directors present shall choose one of their number to be Chairman of such meeting. In the event of two or more joint Chairmen or in the absence of a Chairman, two or more Deputy Chairmen being present, the joint Chairman or Deputy Chairman to act as Chairman of the meeting shall be decided by those Directors present. Any Chairman or Deputy Chairman may also hold executive office under the Company.

120.2 *Chief Executive*

The Directors may appoint one or more of their number to any office or employment under the Company (including, but without limitation, that of chief executive, managing director or joint managing director but not including that of auditor), and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director and may also permit any person appointed to be a Director to continue in any office or employment held by him before he was so appointed. Any such appointment, agreement or arrangement may be made for such period and upon such terms as the Directors determine.

120.3 *Delegation of powers*

Without prejudice to the generality of the foregoing the Directors may entrust to and confer upon any Director holding any such office or employment any of the powers exercisable by them as Directors with power to sub-delegate upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers, authorities and discretions, and may from time to time revoke, withdraw, alter or vary all or any of such powers but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. Any such Director shall only exercise his powers from outside the United Kingdom and Russia. The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

120.4 *Removal from position*

The Directors may also (without prejudice to any claim for damages for breach of any agreement between the Director and the Company) remove a Director from any such office and appoint another in his place.

120.5 *Cessation of position on ceasing to be a Director*

A Director appointed to the office of Chairman, deputy Chairman, managing director, chief executive or any other executive office shall automatically and immediately cease to hold that office if he ceases to hold the office of Director from any cause, but he shall not (unless any agreement between him and the Company shall otherwise provide) cease to hold his office as a Director by reason only of his ceasing to be Chairman, Deputy Chairman, managing director, chief executive of the Company or to hold any other such executive office, as the case may be.

121. **Voting**

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the Chairman of that meeting shall not have a second or casting vote. A Director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote and an alternate director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors, in their absence.

122. **Participation by telephone**

Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through remote means. If any one or more Director or his alternate participates at a meeting by remote means, the provisions of this Article 122 shall apply to such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or if there is no group which is larger than any other group where the Chairman of the meeting then is, but in no event shall any meeting take place or be deemed to take place in the United Kingdom or Russia. Subject to the Articles, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of the Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that two or fewer than two Directors or alternate Directors are physically present at the same place.

123. **Resolution in writing**

A resolution in writing executed by all the Directors for the time being entitled to receive notice of a Board meeting or by all the members of a committee of the Board for the time entitled to receive notice of such committee meeting shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee as the case may be). Such a resolution:

- (a) may consist of several documents in the same form each executed by one or more of the Directors or members of the relevant committee, including executions evidenced by means of facsimile transmission;
- (b) need not be signed by an alternate Director if it is signed by the Director who appointed him; and
- (c) if signed by an alternate Director need not also be signed by his appointor.

For such a resolution to be effective it shall not be necessary for it to be signed by a Director who is prohibited by the Articles from voting thereon or by his alternate.

124. **Minutes of proceedings**

124.1 **Contents of minutes**

The Board shall cause minutes to be made in books kept for the purpose of recording all orders, resolutions and proceedings of every meeting of the Board, of a committee of the Board, of the Company or of the holders of any class of shares or debentures of the Company including:

- (a) all appointments of officers and committees made by the Board and of any such officer's salary or remuneration fixed by the Board; and
- (b) the names of Directors present at every such meeting.

124.2 **Evidence of proceedings**

Any such minutes if purporting to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, shall be

prima facie evidence of the matters stated in such minutes without any further proof.

125. Validity of proceedings

All acts done by a meeting of the Board or of any committee of the local board or agency or by any person acting as a Director, alternate Director or member of a committee, local board or agency shall, as regards all persons dealing in good faith with the Company notwithstanding that it is afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid or that they or any of them were or was disqualified from holding office or not entitled to vote or had in any way vacated their or his office or that the delegation to such committee, local board or agency had been annulled, varied or revoked, be as valid as if every such person had been duly appointed, and was duly qualified and had continued to be a Director, alternate Director or member and had been entitled to vote or as if the delegation had continued in full force and effect.

S. Directors' interests

126. Director may have interests

Subject to the provisions of section 104 of the Act and provided that Article 127 (Disclosure of interests to Board) is complied with, a Director, notwithstanding his office:

- (a) may be a party to or otherwise be interested in any contract, arrangement, transaction or proposal with the Company or any of its subsidiaries or in which the Company or any of its subsidiaries is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the Company (except that of Auditor or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by itself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the remuneration committee may arrange either in addition to or in lieu of any remuneration provided for by any other Article;
- (c) may be a member of or a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by or promoting the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (d) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from any such office, employment, contract, arrangement, transaction or proposal or from any interest in any such body corporate,

and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest or benefit.

127. Disclosure of interests to Board

127.1 Notification of interest

A Director who to his knowledge is in any way (directly or indirectly) interested in any

contract, arrangement, transaction or proposal with the Company or any of its subsidiaries shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested.

127.2 *Adequacy of notice*

For the purposes of this Article:

- (a) a general notice given to the Board by a Director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract, transaction, arrangement or proposal in which a specified firm, company, person or class of persons is interested shall be deemed to be a sufficient disclosure under this Article in relation to such contract, transaction, arrangement or proposal of the nature and extent thereof as so specified provided that no such notice shall be effective unless either it is given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

128. **Interested Director not to vote or count for quorum**

Save as provided in this Article, a Director shall not vote on or be counted in the quorum in relation to any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company or any of its subsidiaries is or is to be a party in which (together with any interest of any person connected with him within the meaning of sections 252 to 255 of the UK 2006 Act) he has (directly or indirectly) an interest which is material (other than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through the Company) or a duty which conflicts with the interests of the Company unless his duty or interest arises only because the resolution relates to one of the matters set out in the following sub-paragraphs in which case he shall be entitled to vote and be counted in the quorum:

- (a) any contract, arrangement, transaction or proposal in which he is interested by virtue of an interest in shares, debentures or other securities of the Company, or otherwise in or through the Company;
- (b) the giving to him of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- (c) the giving to a third party of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- (d) where the Company or any of its subsidiaries is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;

- (e) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary of the Company) in which he is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise (a "**relevant company**"), if he does not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the UK 2006 Act) representing one per cent. or more of either any class of the equity share capital of or the voting rights in the relevant company;
- (f) relating to an arrangement for the benefit of the employees of the Company or any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- (g) a contract, arrangement, transaction or proposal concerning:
 - (i) indemnification (including loans made in connection with it) by the Company in relation to the performance of his duties on behalf of the Company or any of its subsidiaries; or
 - (ii) the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.

An interest of a person who is 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.

129. **Director's interest in own appointment**

A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including, without limitation, fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under the Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

130. **Chairman's ruling conclusive on Director's interest**

If any question arises at any meeting of the Board or any committee of the Board as to the materiality of a Director's interest (other than the Chairman's interest) or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum such question (unless the Director concerned is the Chairman in which case Article 131 (Director's resolution conclusive on Chairman's interest) shall apply) shall before the conclusion of the meeting be referred to the Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director has not been fairly disclosed and provided that any such question shall, for the purposes of disclosure of such interests in the accounts of the company, be finally

and conclusively decided by a majority of the Directors (other than the Director concerned).

131. Directors' resolution conclusive on Chairman's interest

If any question arises at any meeting of the Board or any committee of the Board as to the materiality of the Chairman's interest or as to the entitlement of the Chairman to vote or be counted in a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall before the conclusion of the meeting be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman) whose majority vote shall be final and conclusive except in a case where the nature or extent of the interest of the Director has not been fairly disclosed and provided that any such question shall, for the purposes of disclosure of such interests in the accounts of the company, be finally and conclusively decided by a majority of the Directors (other than the Director concerned).

T. The Seal

132. Application of Seal

132.1 Use of seal

The Seal shall be used only by the authority of a resolution of the Board or of a committee of the Board so authorised. The Board may determine whether any instrument to which the Seal is affixed shall be signed and if it is to be signed who shall sign it. Unless otherwise so determined:

- (a) share certificates and, subject to the provisions of any instrument constituting them, certificates issued under the Seal in respect of any debentures or other securities but excluding letters of allotment or scrip certificates shall be executed by the Board but the Board may by resolution determine that any signatures may be affixed to or printed (including by means of a facsimile of the signature of any person to be applied by any mechanical or electronic means in place of that person's actual signature) on any such certificate by any means approved by the Board or that such certificates need not bear any signature; and
- (b) every other instrument to which the Seal is affixed shall be signed by a Director, the secretary or by two Directors or one Director and the secretary or by any other person appointed by the Board for the purpose.

132.2 Certificates

Every certificate shall be issued under the Seal or in such other manner as the Board having regard to the terms of issue and the regulations applicable to the securities list(s) and recognised investment exchange(s) to which the shares of the Company are admitted. All references in the Articles to the Seal shall be construed accordingly.

133. Deed without sealing

A document signed by one or more Directors and expressed (in whatever form of words) to be executed by the Company as a deed shall have the same effect as if it were executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it not to have effect

as a deed without the authority of a resolution of the Board or of a committee of the Board authorised in that behalf. An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.

134. Official seal for sealing share certificates

The Company may have, for use for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued, an official seal which is a facsimile of the Seal with the addition on its face of the word "Securities". The official seal when duly affixed to a document by or on behalf of the Company has the same effect as the Seal.

U. Dividends and other payments

135. Declaration of dividends

Subject to the provisions of the Act and the Articles, the Company may, subject to the satisfaction of the solvency test, by ordinary resolution declare that dividends out of the Company's profits may be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

136. Interim dividends

Subject to the provisions of the Act and subject to the satisfaction of the solvency test, the Board may declare and pay such interim dividends (including, without limitation, a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. No interim dividend shall be declared or paid on shares which do not confer preferred rights with regard to dividend if, at the time of declaration, any dividend on shares which do confer a right to a preferred dividend is in arrears. If the Board acts in good faith, it does not incur any liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights.

137. Entitlement to dividends

137.1 Accrual of dividends

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

137.2 Payment of dividends

All dividends and interest shall be paid (subject to any lien 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 resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

137.3 *Shares passing by transmission*

The Board may pay the dividends or interest 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.

138. **Calls or debts may be deducted from dividends**

The Board may deduct from any dividend or other money payable to any member on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company.

139. **Distribution in specie**

The Company in general meeting may, on the recommendation of the Board, by resolution direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular, of fully paid up shares or debentures of any other company or in any one or more of such ways. Where any difficulty arises in regard to such distribution the Board may settle it as it thinks fit. In particular, the Board may:

- (a) issue fractional certificates or, subject to the law and, in the case of shares held in uncertificated form, the rules of the Uncertificated System, authorise and instruct any person to sell and transfer any fractions or disregard fractions altogether;
- (b) fix the value for distribution of such assets or any part of them and determine that cash payments may be made to any members on the footing of the value so fixed, in order to adjust the rights of members; and
- (c) vest any such assets in trustees on trust for the persons entitled to the dividend.

140. **Dividends not to bear interest**

Unless otherwise provided by the rights attached to the share no dividend or other moneys payable by the Company or in respect of a share shall bear interest as against the Company.

141. **Method of payment**

141.1 The Company may pay any dividend, interest or other amount payable in respect of a share:

- (a) in cash;
- (b) by cheque, warrant or money order made payable to or to the order of the person entitled to the payment (and which may, at the Company's option, be crossed "account payee" where appropriate);
- (c) by a bank or other funds transfer system to an account designated in writing by the person entitled to the payment;
- (d) if the Board so decides, by means of a relevant system in respect of an uncertificated share, subject to any procedures established by the Board to

enable a holder of uncertificated shares to elect not to receive dividends by means of a Uncertificated System and to vary or revoke any such election; or

- (e) by such other method as the person entitled to the payment may in writing direct and the Board may agree.

141.2 The Company may send a cheque, warrant or money order by post:

- (a) in the case of a sole holder, to his registered address;
- (b) in the case of joint holders, to the registered address of the person whose name stands first in the Register;
- (c) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with Article 156.2 (Notice to be in writing); or
- (d) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.

141.3 Where a share is held jointly or two or more persons are jointly entitled by transmission to a share:

- (a) the Company may pay any dividend, interest or other amount payable in respect of that share to any one joint holder, or any one person entitled by transmission to the share, and in either case that holder or person may give an effective receipt for the payment; and
- (b) for any of the purposes of this Article 141(Method of payment), the Company may rely in relation to a share on the written direction or designation of any one joint holder of the share, or any one person entitled by transmission to the share.

141.4 Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person entitled to payment, the Company is not responsible for amounts lost or delayed in the course of making that payment.

141.5 Without prejudice to Article 83 (Disclosure of interests in shares and suspension of interests), the Board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided such evidence of his right as the board may reasonably require.

141.6 Except as otherwise provided by the rights attached to shares, dividends may be declared or paid in any currency. The Board may agree with any member that dividends which may 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. **Uncashed dividends**

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto by post are returned to the Company undelivered or left uncashed on two consecutive occasions or, following one occasion,

reasonable enquiries have failed to establish any new address to be used for the purpose, the Company shall not be obliged to send any further dividends or other moneys payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

143. **Unclaimed dividends**

All dividends, interest or other sum payable and unclaimed may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become due for payment shall be forfeited and shall revert to the Company.

144. **Waiver of dividends**

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death, bankruptcy or mental disorder of the holder or otherwise by operation of law) and delivered to the Company and only if or to the extent that the same is accepted as such or acted upon by the Company.

145. **Payment of scrip dividends**

145.1 ***Authority to pay scrip dividends***

Subject to the provisions of the Act, the Board may with the prior authority of an ordinary resolution of the Company and subject to such conditions as the Board may determine, provided that the Company complies with the solvency test, offer to any holders of a particular class of shares the right to elect to receive a particular class of shares credited as fully paid, in whole or in part instead of cash in respect of the whole or some part (to be determined by the Board) of any dividend specified by the resolution. The following provisions shall apply subject to any exclusions, restrictions or other arrangements the Board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory:

- (a) the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods but such period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which such resolution is passed;
- (b) the entitlement of each holder of a particular class of shares to new shares of a particular class shall be such that the relevant value of the entitlement shall, unless the Board otherwise determines, be as nearly as possible equal to the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. For this purpose "**relevant value**" shall be calculated by reference to the average of the middle market quotations for the relevant class of shares on the London Stock Exchange for the day on which the relevant class of shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as the Board may determine on such basis as it considers to be fair and reasonable. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend

shall be conclusive evidence of that amount and in giving such a certificate or report the Auditors may rely on advice or information from such brokers or other sources of information as they think fit;

- (c) no fractions of a share shall be allotted and the Directors may make such provision as they think fit for dealing with the case of shares otherwise becoming distributable in fractions including provisions whereby, in whole or in part, the benefit of the fractional entitlements accrues to the Company rather than to the members concerned;
- (d) the Directors may specify a minimum number of shares of a relevant class in respect of which the right of election may be exercised;
- (e) the Board shall, after determining the basis of allotment, notify the holders of shares of the relevant class in writing of the right of election offered to them and specify the procedure to be followed and place at which and the latest time by which (being at least 21 clear days after the despatch of the notice) elections must be lodged in order to be effective. A form of election lodged in respect of a particular dividend in relation to which the Directors have announced their intention to offer elections may not be revoked as regards the said dividend unless prior to the latest time specified by the Directors for lodgement of elections in respect of the said dividend written notice of revocation is lodged at the place specified by the Directors as aforesaid;
- (f) the Board may exclude from any offer or impose any restrictions on any holders of shares of any class or any shares on which dividends are payable in foreign currency as they think necessary or desirable where the Board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of any territory or that such exclusions or restrictions are necessary or expedient;
- (g) the Board may determine that every duly effected election in respect of any shares of any class shall be binding on every successor in title to their holder;
- (h) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which an election has been duly made (the "**elected Shares**") and instead additional shares of a relevant class shall be allotted to the holders of the elected Shares on the basis of allotment determined as aforesaid. For such purpose the Board may capitalise out of any distributable amount as the Board may determine, a sum equal to the aggregate issue price of the additional shares of a relevant class available for issue that are to be allotted on that basis and apply it in paying up in full the appropriate number of shares for allotment and distribution to the holders of the elected Shares on that basis. A Board resolution capitalising any part of such reserve or fund or profits shall have the same effect as if such capitalisation had been declared by resolution of the Company in accordance with Article 147(Capitalisation of reserves) and in relation to any such capitalisation the Board may exercise all the powers conferred on them by Article 147(Capitalisation of reserves) without need of such resolution;
- (i) the additional shares so allotted shall rank pari passu in all respects with each other and with the fully paid shares of the relevant class in issue on the record date for the dividend in respect of which the right of election has been offered

except that they will not rank for any dividend or other distribution or other entitlement (including the relevant dividend and the share election in lieu of such dividend) which has been declared, paid or made by reference to such record date or any earlier record date; and

- (j) the Board may terminate, suspend or amend any offer of the right to elect to receive shares in lieu of any cash dividend at any time (whether temporarily or otherwise).

145.2 **Election mandates**

The Board may also from time to time establish or vary a procedure for election mandates, under which a holder of Ordinary Shares may elect to receive Ordinary Shares credited as fully paid instead of cash in respect of all or certain future rights offered to that holder under this Article until the election mandate is revoked in accordance with any such procedure.

145.3 **Admission of shares**

If the Ordinary Shares are admitted to listing or trading on any recognised investment exchange, the Company shall apply to the relevant regulatory authority for the additional Ordinary Shares so allotted to be admitted to the recognised investment exchange(s) and securities list(s) to which the Company's existing issued Ordinary Shares are admitted.

145.4 **Directors' powers**

The Directors shall have power to do all acts and things as they consider necessary or expedient to give effect to this Article.

146. **Reserves**

The Board may, before recommending any dividend (whether preferential or otherwise), carry to reserves out of the profits of the Company such sums as it thinks fit. All sums standing to reserves may be applied from time to time, at the discretion of the Board, for any other 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 in such investments as the Board thinks fit and so that it shall not be necessary to keep any investment constituting the reserve separate or distinct from any other investment of the Company. The Board may divide the reserve into such special funds as it thinks fit and may consolidate into one fund any special fund or any part of any special fund into which the reserve may have been divided as it thinks fit. Any sum which the Board may carry to reserve out of the unrealised profit of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Board may also, without placing the same to reserve, carry forward any profit which it may think prudent not to distribute.

147. **Capitalisation of reserves**

Subject to the provisions of the Act, the Board may with the authority of an ordinary resolution of the Company:

- (a) subject as provided in this Article, resolve to capitalise any 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 any reserve or

fund of the Company which is available for distribution;

- (b) appropriate the sum resolved to be capitalised on the date specified in the resolution to the holders of Ordinary Shares in proportion to the par value of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amount, if any, for the time being unpaid on any share held by them respectively or in paying up in full shares available for issue or debentures of the Company at a price equal to that sum and allot the shares or debentures credited as fully paid to those holders of Ordinary Shares or as they may direct in those proportions or partly in one way and partly in the other;
- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (d) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where shares or debentures become distributable in fractions the Board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £5, or such other sum as the Board may decide, the sum may be retained for the benefit of the Company);
- (e) authorise any person to enter on behalf of all the holders of Ordinary Shares concerned into an agreement with the Company providing for either:
 - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
 - (ii) the payment up by the Company on behalf of such holders by the application to it of their respective proportions of the reserves or profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares,(any agreement made under such authority being effective and binding on all such holders); and
- (f) generally do all acts and things required to give effect to such resolution.

148. Capitalisation of reserves - employees' share schemes

148.1 This Article (which is without prejudice to the generality of the provisions of the immediately preceding Article 147 applies where:

- (a) a person is granted pursuant to an employees' share scheme a right to subscribe for shares in the capital of the Company on terms that the subscription price payable in cash on the allotment of those shares is a price less than their par

value; and

- (b) pursuant to the terms of an employees' share scheme, the terms on which a person is entitled to subscribe for shares in the capital of the Company are adjusted as a result of a capitalisation issue, rights issue or other variation of capital so that the subscription price payable in cash on the allotment of those shares is a price less than their par value.

148.2 In every such case the Board shall, subject to the provisions of the Act and subject to the satisfaction of the solvency test:

- (a) transfer to a reserve account a sum equal to the deficiency between the subscription price and the par value of the shares (the "**cash deficiency**") from the reserves of the Company; and
- (b) subject to Article 1484, not apply that reserve account for any purpose other than paying up the cash deficiency on the allotment of those shares.

148.3 Whenever the Company is required to allot shares pursuant to such a right to subscribe, the Board shall, subject to the provisions of the Act and subject to satisfaction of the solvency test:

- (a) capitalise out of the reserve account an amount equal to the cash deficiency applicable to those shares;
- (b) apply that amount in paying up the deficiency on the par value of those shares; and
- (c) allot those shares credited as fully paid to the person entitled to them.

148.4 If a person ceases to be entitled to subscribe for shares as described, the restrictions on the reserve account cease to apply in relation to that part of the account that equals the amount of the cash deficiency applicable to those shares.

148.5 No right may be granted under an employees' share scheme under Article 1481(a) and no adjustment may be made as mentioned in Article 1481(b) unless the Company satisfies the solvency test immediately after the transfer to a reserve account in accordance with Article 1482 of an amount sufficient to pay up the cash deficiency applicable to the shares concerned.

149. **Record dates**

Notwithstanding any other provision of the Articles, but subject to the provisions of the Act and rights attached to shares, the Company or the Board may fix any date (the "**record date**") as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

V. **Accounts**

150. **Accounting records**

The Board shall cause accounting records to be kept in accordance with the Act and shall keep such other books and registers as are necessary to comply with the Act.

151. **Inspection of records**

The accounting records shall be kept at the Office or (subject to the Act) at such other place as the Board thinks fit. No member (other than a Director) shall have any right to inspect any accounting record or other document of the Company unless he is authorised to do so by statute, by order of the Court, by the Board or by resolution of the Company. Such records shall always be open for inspection by officers of the Company.

152. **Accounts to be sent to members**

152.1 A copy of the Directors' and Auditors' reports accompanied by copies of the annual accounts audited by the Auditors to such standards as the Board and the Auditors shall agree (including every document required by law to be comprised in them or annexed or attached to them) shall not less than 21 clear days before the meeting before which they are to be laid, be delivered or sent to every member and holder of debentures of the Company and to the Auditors and to every other person who is entitled to receive notice of general meetings. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of the Articles is not entitled to receive notices from the Company or of whose address the Company is unaware or to any holder of debentures of whose address the Company is unaware or to more than one of the joint holders of any shares or debentures. Any member to whom such documents are sent shall be entitled to receive a further copy, free of charge, on application at the Office. If all or any of the shares in or debentures of the Company are listed or dealt in on any stock exchange, there shall at the same time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as the regulations of that stock exchange may require.

152.2 The Board may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' remuneration report, the directors' report and the auditors' report on those accounts, on the auditable part of the directors' remuneration report and on the directors' report are those persons entered on the Register at the close of business on a day determined by the Board, provided that, if the Company has issued Participating Securities, the day determined by the Board may not be more than 21 days before the day that the relevant copies are being sent.

152.3 A summary financial statement derived from the Company's annual accounts, the directors' remuneration report and the directors' report in the form and containing the information prescribed by the Act may be sent to a person so electing in place of the documents required to be sent by Article 152.1.

W. Secretary and destruction and authentication of documents

153. **Secretary**

153.1 The Board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including, without limitation, remuneration) as it thinks fit. The Board may remove a person appointed pursuant to this Article from office and appoint another or others in his place, but without prejudice to any claim for damages for any breach of contract of services between him and the Company.

153.2 Any provision of the Act or of the Articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same

person acting both as Director and as, or in the place of, the secretary.

154. **Destruction of documents**

154.1 *Documents which may be destroyed*

Subject to the Act, the Company may destroy:

- (a) any instrument of transfer after six years from the date on which it is registered;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address after two years from the date on which it is recorded;
- (c) any registered certificate for debentures or representing any other form of securities after one year from the date on which it is cancelled;
- (d) any other document on the basis of which any entry in the Register is made after six years from the date on which an entry was first made in the Register in respect of it;
- (e) all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment thereof; and
- (f) all instruments of proxy which have been used for the purpose of a poll at any time after the expiration of one year from the date of such use and all instruments of proxy which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the instrument of proxy relates and at which no poll was demanded.

Provided that the Company may destroy any such type of document after such shorter period as the Board may determine if a copy of such document is retained on microfilm or other similar means which shall not be destroyed before the expiration of the relevant period and provided that adequate precautions against falsification and to share reproduction are taken.

154.2 *Presumption in respect of destroyed documents*

It shall be conclusively 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 duly registered, that every share certificate so destroyed was a valid and effective certificate duly cancelled, that every other document so destroyed had been properly dealt with in accordance with its terms and was valid and effective in accordance with the particulars in the records of the Company, provided that:

- (a) this Article 154 shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant;
- (b) nothing in this Article 154 shall be construed as imposing on the Company any liability in respect of the destruction of any such document or otherwise than as provided for in this Article 154 which would not attach to the Company in the absence of this Article 154; and

- (c) references in this Article 154 to the destruction of any document include references to the disposal of it in any manner.

155. Authentication of documents

Any Director, 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 and any books, records, documents and accounts relating to the business of the Company and to certify copies of them or extracts from them 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 of them shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in reliance on them that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

X. Notices

156. Notice to be in writing

156.1 Any notice, document or information to be given to or by any person pursuant to the Articles shall be:

- (a) in writing (except that a notice convening a Board meeting need not be in writing); or
- (b) given to a member who has agreed (generally or specifically) that notices, documents or information can be sent to him, using electronic means to an ~~electronic address for the time being notified for that purpose to the person~~ giving the notice and who has not revoked such agreement; or
- (c) on a website if the member has agreed (generally or specifically), or pursuant to Article 156.2 is deemed to have agreed, that notices, documents or information can be sent to supplied to them in that form and has not revoked such agreement.

Nothing in Articles 156 to 163 (Notices) shall affect any requirements of the Act that any particular offer, notice or other document be served in any particular manner.

156.2 If a member has been asked individually by the Company to agree that the Company may send or supply notices, documents or information generally, or specific notices, documents or information to him by means of a website and the Company does not receive a response within a period of 28 days beginning with the date on which the Company's request was sent (or such longer period as the Directors may specify), such member will be deemed to have agreed to receive such notices, documents or information by means of a website in accordance with Article 156.1(c) (save in respect of any notices, documents or information (if any) that are required to be sent in hard copy form pursuant to the Articles).

156.3 A member can revoke any agreement or deemed agreement under this Article 156. Any

amendment or revocation of a notification given to the Company or agreement (or deemed agreement) under this Article 156 shall only take effect if in writing signed (or authenticated) by the member and on actual receipt by the Company thereof. Thereafter, notices, documents and information shall be sent to that member in writing.

156.4 A notice, document or information sent or supplied by means of a website must be made available in a form, and by a means, that the Company reasonably considers will enable the recipient: (i) to read it; and (ii) to retain a copy of it. For this purpose, a document or information can be read only if: (i) it can be read with the naked eye; or (ii) to the extent that it consists of images (for example photographs) it can be seen with the naked eye.

156.5 If a notice, document or information is sent or supplied by means of a website, the Company must notify the intended recipient of: (i) the presence of the notice, document or information on the website; (ii) the address of the website; (iii) the place on the website where it may be accessed; and (iv) how to access the notice, document or information.

156.6 Any notice, document or information made available on the Company's website will be maintained on that website for the period of 28 days beginning with the date on which notification is given under Article 156.4, or such shorter period as may be decided by the Directors. A failure to make a notice, document or information available on a website throughout the period mentioned in this Article 156.5 shall be disregarded if: (i) it is made available on the website for part of that period; and (ii) the failure to make it available throughout that period is wholly attributable to circumstances that it would not be reasonable for the Company to prevent or avoid.

156.7 Where a person is entitled by transmission to a share, any notice, document or information may be given, sent or supplied by the Company to that person as if he were the holder of a share by sending or delivering it in any manner authorised by the Articles for the giving of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt member (or by similar designation), at the address (if any) in the British Isles supplied for that purpose by the person claiming to be entitled by transmission. Until such an address has been supplied, any notice, document or information may be given, sent or supplied in any manner in which it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this Article is sufficient notice to any other person interested in the share.

157. **Service of notice on members**

157.1 ***Method of service***

The Company may give any notice or document (including a share certificate) to a member, either personally or by sending it by post or other delivery service in a first-class prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of a member registered on an overseas branch register any such notice or document may be posted either in the British Isles or in the territory in which such branch register is maintained. The Company may give any notice or document to any member by electronic means to an electronic address for the time being notified to the Company by the member.

157.2 *Joint holders*

In the case of joint holders of shares:

- (a) it shall be sufficient for all notices, documents and other information to be given, sent or supplied to the joint holder whose name stands first in the Register in respect of the joint holding (the "**first named holder**") only; and
- (b) anything to be agreed or specified in relation to any notice, document or information to be sent or supplied to them may be agreed or specified by the first named holder and any such agreement or specification shall be binding on all the joint holders.

157.3 *Members outside the British Isles*

A member whose registered address is not within the British Isles who gives to the Company an address within the British Isles at which notices, documents or information may be given, sent or supplied to him shall be entitled to have notices, documents or information given, sent or supplied to him at that address (provided that, in the case of a notice, document or information sent by electronic means, including without limitation any notification required by the Act that the notice, document or information is available on a Website, the Company so agrees, which agreement the Company shall be entitled to withhold in its absolute discretion), but otherwise no such member shall be entitled to receive any notice, document or information from the Company.

157.4 *Record date*

Any notice to be given to a member may be given by reference to the Register as it stands at any time within the period of 15 days before the notice is given (subject to the Uncertificated Regulations if the Company is then a participating issuer for the purposes of the Uncertificated Regulations) and no change in the Register after that time shall invalidate the giving of the notice.

157.5 For the avoidance of doubt, the provisions of this Article 157 are subject to Article 53. (Additional provisions relating to notice).

157.6 The Company may at any time and at its sole discretion choose to give, send or supply notices, documents and information only in hard copy form to some or all members.

158. **Notice in case of death, bankruptcy or mental disorder**

The Company may, on receipt of such evidence as the Board may reasonably require to show title to that share, give notice to the person entitled to a share in consequence of the death, bankruptcy or mental disorder of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by the Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description at the address (if any) within the British Isles supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied a notice may be given in any manner in which it might have been given if the death, bankruptcy, operation of law or other event had not occurred. Such service of notice shall for all purposes be deemed a sufficient service of such notice on all persons interested in the share.

159. Evidence of service

159.1 Any notice, document or information given, sent or supplied by the Company to the members or any of them:

- (a) by post, shall be deemed to have been received 24 hours after the time at which the envelope containing the notice, document or information was posted unless it was sent by second class post or there is only one class of post in which case it shall be deemed to have been received 48 hours after it was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
- (b) by electronic means, shall be deemed to have been received 24 hours after it was sent. Proof that a notice, document or information sent by electronic means in accordance with the Institute of Chartered Secretaries and Administrators' Guidance (in issue at the time the relevant notice, document or information was sent) shall be conclusive evidence that the notice, document or information was sent;
- (c) by making it available on a Website, shall be deemed to have been received on the date on which notification of availability on the Website is deemed to have been received in accordance with this Article or, if later, the date on which it is first made available on the Website; and
- (d) by advertisement, shall be deemed to have been received on the day on which the advertisement appears.

159.2 Any notice, document or information given, sent or supplied by the Company by any other means authorised in writing by the member concerned is deemed to be received when the Company has taken the action it has been authorised to take for that purpose.

159.3 A member present in person or by proxy at a meeting or at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

160. Notice binding on transferees

Every person who, by operation of law, transfers or by any other means becomes entitled to a share shall be bound by any notice in respect of that share (other than in respect of an Information Notice) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

161. Notice by advertisement

Any notice to be given by the Company to the members or any of them and not otherwise provided for by the Articles shall be sufficiently given if given by advertisement in at least one leading daily national newspaper published in the United Kingdom and, where the Company keeps an overseas branch register, in at least one leading daily newspaper published in the territory in which such register is maintained. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.

162. **Suspension of postal services**

If there is a suspension or curtailment of postal services within the British Isles or some part of the British Isles the Company need only give notice of a general meeting to those with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least two leading daily national newspapers (at least one of which shall be published in London) and, where the Company keeps an overseas branch register, in at least one leading daily newspaper published in the territory in which such register is maintained and make it available on its Website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof. If at least six clear days before the meeting the sending of notices by post in hard copy form throughout the British Isles has again become generally possible, the Company shall send or supply confirmatory copies of the notice by post to those members who would otherwise receive the notice in hard copy form.

163. **Validation of documents in electronic form**

163.1 Where a document is required under the Articles to be signed by a member or any other person, if the document is sent by electronic means, then in order to be valid the document must either:

- (a) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form as the Board may approve; or
- (b) be accompanied by such other evidence as the Board may require in order to be satisfied that the document is genuine.

163.2 The Company may designate mechanisms for validating any document sent in electronic form and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company. In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with the Articles.

Y. **Winding up**

164. **Division of assets**

164.1 ***Power to present a petition***

The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

164.2 ***Distribution of assets***

If the Company is wound up, the surplus assets remaining after payment of all creditors are to be divided among the members in proportion to the capital which at the commencement of the winding up is paid up on the shares held by them respectively and, if such surplus assets are insufficient to repay the whole of the paid up capital, they are to be distributed so that as nearly as may be the losses are borne by the members in proportion to the capital paid up at the commencement of the winding up on the shares

held by them respectively. This Article 164.2 is subject to the rights attached to any shares which may be issued on special terms or conditions.

164.3 *Distribution in specie*

If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may for that purpose value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members but if any division is resolved otherwise than in accordance with such rights the members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to section 222 of the Companies Act 1931 (which provision applies to the Company (with statutory modification) pursuant to the Act). The liquidator may with the like sanction vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the members as he with the like sanction shall determine but no member shall be compelled to accept any assets on which there is a liability.

165. *Transfer or sale under section 222 of the Companies Act 1931*

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 222 of the Companies Act 1931 (which provision applies to the Company (with statutory modification) pursuant to the Act) may in the like manner authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by the said section.

Z. *Indemnity*

166. *Right to indemnity*

Subject to the provisions of the Act and the Listing Rules, the Company may indemnify every Director, alternate Director or other officer of the Company (other than an Auditor) to the fullest extent permitted by law.

167. *Power to insure*

Subject to the provisions of the Act, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a Director or other officer or employee of the Company or of any other company which is a subsidiary, subsidiary undertaking or holding company of the Company or in which the Company has an interest whether direct or indirect or which otherwise is in any way allied to or associated with the Company or of any subsidiary undertaking or holding company of the Company or of any such company or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such other company or subsidiary undertaking is or has been interested indemnifying such person against any 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, officer, employee or trustee.