

Company No. 3134749

THE COMPANIES ACTS 1985, 1989 and 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRITISH SMALLER COMPANIES VCT plc

(adopted by Special Resolution passed on 15 January 2009)
(amended by Special Resolution passed on 11 January 2011)
(amended by Special Resolution passed on 18 December 2012)
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PRELIMINARY

1 No regulations for management of a company set out in any schedule to, or subordinate legislation made under, any statute concerning companies shall apply to the Company, but these Articles alone shall be the Articles of Association of the Company.

2 In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the following table shall bear the meanings set opposite them respectively in the second column:-

“CA 2006 ”	means the Companies Act 2006 to the extent in force from time to time;
“the Acts”	means the Companies Acts as defined in Section 2 of the CA 2006;
“address”	includes number or address used for the purpose of sending or receiving notices, documents or information by electronic means including website;
“Alternate Director”	means an alternate director appointed in accordance with Article 102;
“Articles”	means these Articles of Association of the Company as from time to time altered;
“the Auditors”	means PKF (UK) LLP or such other auditors as the Company may from time to time appoint;
“the Board”	means the Directors or any of them acting as the Board of Directors of the Company;
“business day”	means any day on which banks are generally open for business in London other than a Saturday;
“calendar year”	means year from 1 st January to 31 st December inclusive;
“clear days”	means in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“connected with”	means in relation to a Director has the meaning given by Section 252 of the CA 2006;
“the Directors”	means the directors for the time being of the Company;
“dividend”	means dividend or bonus;
“electronic address”	means any number or address or address used for the purposes of sending or receiving notices, documents or information by electronic means including a website;
"electronic communication"	means the same as in the Electronic Communications Act 2000 and includes communication by website;
“electronic facility”	includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a meeting as determined by the Board pursuant to Article 63A.1]

“electronic form”	has the same meaning as defined in Section 1168 of the CA 2006;
“electronic means”	has the same meaning as defined in section 1168 of the CA 2006;
“FCA”	means the Financial Conduct Authority;
“FSMA”	means the Financial Services and Markets Act 2000;
“Fund Manager”	means YFM Private Equity Limited or such other manager as the Company may from time to time appoint;
“general meeting”	means an annual general meeting and any other meeting of shareholders including a General Meeting;
“General Meeting”	any meeting of shareholders other than an annual general meeting;
“Executive Director”	means a Director holding any office or employment or providing any service as referred to in Article 118;
“the Group”	means the Company and all Subsidiary Undertakings for the time being;
“the holder”	in relation to shares means the member whose name is entered in the Register as the holder of the shares;
“Information Rights”	has the meaning given to such expression in Section 146(3) of the CA 2006;
"ICSA Guidelines"	means the statements of Recommended Best Practice in the memorandum headed "Electronic Communications with Shareholders" published by the Institute of Chartered Secretaries and Administrators in December 2000 and any modification, extension or replacement for the time being in force;
“the London Stock Exchange”	means London Stock Exchange Limited or any successor to its functions;
“member”	means a member of the Company;
“Nomination Notice”	means a notice given by a member to the Company that another person is entitled to enjoy Information Rights and to receive Shareholder Information which that member is entitled to enjoy or to receive;
“the Office”	means the registered office of the Company;
“the Operator”	means a person approved under the Regulations as Operator of the relevant system;
“ordinary shares”	means ordinary shares of 10p each of the Company;
“paid”	means paid or credited as paid;
“the Register”	means the register of members of the Company;

“the Regulations”	means the Uncertificated Securities Regulations 2001 (SI 2001 No 2001/3755) including any modification thereof and rules made thereunder or any regulations in substitution therefor relating to the holding, evidencing of title to, or transfer of uncertificated shares;
“the Seal”	means the common seal of the Company;
“the 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;
“Shareholder Information”	means notices, documents or information which the Company wishes or is required to communicate to members including without limitation annual reports and accounts, interim financial statements, summary financial statements, notices of meetings and proxy forms;
"the Statutes"	means the Acts and every other statute from time to time in force in the United Kingdom concerning companies insofar as the same applies to the Company or any re-enactment thereof for the time being in force;
“Subsidiary Undertaking”	means a subsidiary undertaking of the Company;
“the Transfer Office”	means the place where the Register is for the time being situated;
“Uncertificated Proxy Instruction”	means a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned);
“the United Kingdom”	means Great Britain and Northern Ireland;
“website communication”	means any notice, document or information given by means of a website;
“year”	means any period of 12 consecutive months;

All references in these Articles to the Auditors confirming any matter shall be construed to mean confirmation of their opinion as to such matter whether qualified or not.

All references in these Articles to shareholders should be construed as references to holders for the time being of ordinary shares.

Words denoting the masculine gender shall include the feminine and neuter genders; words denoting the singular number shall include the plural number and vice versa; words denoting persons shall include corporations.

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

All references in these Articles to the Acts, to any section or provision of the Acts or to any other Statute or statutory provision shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.

References to writing including references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form or made available on a website are “in writing” for the purposes of these Articles.

Where pursuant to any provision of these Articles any notice, appointment of proxy or other document contained in an electronic communication is required to be signed or executed by or on behalf of any person, that signature or execution shall include the affixation by or on behalf of that person of an electronic signature (as defined in the Electronic Communications Act 2000), or personal identification details in such form as the Directors may approve.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

A reference to a meeting:

- (a) shall mean a general meeting convened and held in any manner permitted by these Articles, including an annual general meeting, at which some (but not all) those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the Acts and these Articles, and “attend”, “participate”, “attending”, “participating”, “attendance” and “participation” shall be construed accordingly; and
- (b) shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.

References to a person’s “participation” in the business of a meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly appointed representative) to speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Acts or these Articles to be made available at the meeting, and “participate” and “participating” in the business of a general meeting shall be construed accordingly.

Nothing in these Articles precludes the holding and conducting of a meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.

VARIATION OF RIGHTS

- 3 Subject to the Acts, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that

class) be varied or abrogated, whether or not the Company is being or is about to be wound up, either with the consent in writing or electronic form of the holders of three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise).

- 4 The special rights conferred upon the holders of any shares or class of shares shall, unless otherwise provided by these Articles or the terms of issue of the shares concerned, not be deemed to be varied or abrogated by a reduction of capital paid up on those shares, by the creation or issue of further shares ranking *pari passu* with them or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Acts and these Articles. No consent or sanction of the holders of ordinary shares shall be required under Article 3 to any variation or abrogation effected by a resolution on which only the holders of ordinary shares are entitled to vote.

SHARES

- 5 Subject to the provisions of the Acts and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine, or in the absence of such determination, or so far as any such resolution does not make specific provision, as the Board may determine.
- 6 Subject to the provisions of the Acts and to any resolution of the Company in general meeting, all unissued shares of the Company shall be at the disposal of the Board which may allot, grant options over or otherwise dispose of them to such persons, on such terms and at such times as it may think fit.
- 7 Subject to the provisions of the Acts, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by or in accordance with these Articles.
- 8 In addition to all other powers of paying commissions, the Company may exercise the powers of paying commissions conferred by the Acts. Subject to the provisions of the Acts, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 9 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound to recognise any interest in any share except an absolute right to the entirety of the share in the holder.

SHARES IN UNCERTIFICATED FORM

- 10 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of share to be participating security (subject always to the Regulations and the facilities and requirements of the relevant system concerned). Where they do so, Articles 11 and 12 shall commence to have effect immediately prior to the time at which the Operator (as defined in the Regulations) of the relevant system concerned permits the class of share concerned to be a participating security.

- 11 In relation to any class of share which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:
- 11.1 the holding of shares of that class in uncertificated form;
 - 11.2 the transfer of title to shares of that class by means of a relevant system; or
 - 11.3 the Regulations
- and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the Regulations, of an Operator register of securities in respect of shares of that class in uncertificated form.
- 12 Without prejudice to the generality of Article 11 and notwithstanding anything contained in this Article, where any class of share is, for the time being, a participating security (such class being referred to hereinafter as the “Relevant Class”):
- 12.1 the register relating to the Relevant Class shall be maintained at all times in the United Kingdom;
 - 12.2 shares of the Relevant Class may be issued in uncertificated form in accordance with and subject as provided in the Regulations;
 - 12.3 unless the Board otherwise determines, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
 - 12.4 shares of the Relevant Class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the Regulations;
 - 12.5 title to shares of the Relevant Class which are recorded on the register as being held in uncertificated form may be transferred by means of the relevant system concerned and accordingly (and in particular) Articles 33, 34 and 35 shall not apply in respect of such shares to the extent that those Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the shares to be transferred;
 - 12.6 the Company shall comply with the provisions of Regulations 25 and 26 in relation to the Relevant Class and Article 40 in particular shall be read as subject to Regulation 26;
 - 12.7 the provisions of these Articles with respect to meetings of or including holders of the Relevant Class, including notices of such meeting, shall have effect subject to the provisions of Regulation 41; and
 - 12.8 Articles 14 to 16 (inclusive) shall not apply so as to require the Company to issue a certificate to any person holding shares of the Relevant Class in uncertificated form.
- 13 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Regulations and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance upon such assumption, in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the register

shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

SHARE CERTIFICATES

- 14 Every member, upon becoming the holder of any shares (other than a person who is not entitled to a certificate under the Acts) shall be entitled, without payment, to receive within five business days after allotment or lodgement of a transfer to the member of those shares one certificate for all the shares of each class held by the member and, upon transferring a part of the shares comprised in a certificate, a certificate for the balance of such shares. Shares of different classes may not be included in the same certificate. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 15 Share certificates of the Company (other than letters of allotment, scrip certificates and other like documents) shall, unless the Board by resolution otherwise determines, either generally or in any particular case or cases, be issued under the Seal or under any official seal kept by the Company by virtue of Sections 50(1) and 50(2) of the CA 2006 (or their predecessors). Whether or not share certificates are issued under a seal, the Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any certificates for shares, stock or debenture or loan stock (except where the trust deed constituting any stock or debenture or loan stock provides to the contrary) or representing any other form of security of the Company need not be autographic but may be applied to the certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person. Every share certificate shall specify the number and class of the shares to which it relates and the amount paid upon on such shares.
- 16 If a share certificate is worn out, defaced, lost, stolen or destroyed, it may be renewed without payment of any fee but on such terms (if any) as to evidence and indemnity with or without security and otherwise as the Board requires and, in the case of a worn out or defaced certificate, on delivery up of that certificate. In the case of loss, theft or destruction, the person to whom the new certificate is issued may be required to pay to the Company any exceptional out of pocket expenses incidental to the investigation of evidence of loss, theft or destruction and the preparation of the requisite form of indemnity.

LIEN ON SHARES

- 17 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it and to any share or security issued in right of it.
- 18 The Company may sell in such manner as the Board determines any shares on which the Company has a lien if the sum in respect of which the lien exists is presently payable and is not paid within fourteen

clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise by operation of law, demanding payment and stating that if the notice is not complied with the shares may be sold.

- 19 To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of the purchaser. The purchaser shall not be bound to see to the application of the purchase moneys, and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale.
- 20 The net proceeds of the sale, after payment of the costs of sale, shall be applied in or towards payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale.

CALLS ON SHARES

- 21 Subject to the terms of allotment, the Board may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to at least fourteen clear days' notice having been given specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on the member's shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable jointly and severally with the successors in title to that person's shares for calls made upon that person notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 22 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 23 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of that share.
- 24 If a call remains unpaid after it has become due and payable the person from whom the sum is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate, but the Board may waive payment of the interest wholly or in part.
- 25 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
- 26 Subject to the terms of allotment, the Board may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 27 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 upon any shares held by the member, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at

the appropriate rate or at such other rate as may be agreed between the Board and such member, subject to any directions of the Company in a general meeting.

FORFEITURE AND SURRENDER OF SHARES

- 28 If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen clear days' notice required payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 29 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture. The Board may accept upon such terms and conditions as may be agreed a surrender of any share liable to be forfeited and, subject to such terms and conditions, a surrendered share shall be treated as if it had been forfeited.
- 30 Subject to the provisions of the Acts, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determines either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Board may authorise some person to execute an instrument of transfer of the share to that person.
- 31 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by that person to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate from the date of forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 32 A statutory declaration by a Director or the Secretary that a share has been forfeited or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall that person's title to the share be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture, sale or disposal of the share.

TRANSFER OF SHARES

- 33 The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it.
- 34 The Board may in its absolute discretion refuse to register the transfer of a share which is not fully paid provided that such refusal does not prevent dealings taking place on an open and proper basis.
- 35 The Board may also refuse to register a transfer unless the instrument of transfer is:
- 35.1 duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty, is lodged at the Transfer Office or at such other place as the Board may appoint and (save in the case of a transfer by a person to whom no certificate was issued in respect of the shares in question) accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person so to do;
- 35.2 in respect of only one class of shares; and
- 35.3 in favour of not more than four transferees.
- 36 If the Board refuses to register a transfer, it shall within two months after the date on which the transfer was lodged with the Company (or in the case of uncertified shares the date on which the Operator instruction was received) send to the transferee notice of the refusal specifying the reasons for the refusal in accordance with section 771 of the CA 2006.
- 37 Subject to the provisions of the Acts, the registration of transfers of shares or of transfers of any class of shares may be suspended and the Register closed at such times and for such periods (not exceeding thirty days in any calendar year) as the Board may determine.
- 38 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share.
- 39 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register shall be returned to the person lodging it when notice of the refusal is given.
- 40 For all purposes of these Articles relating to the registration of transfers of shares, the renunciation of the allotment of any shares by the allottee in favour of some other person shall be deemed to be a transfer and the Board shall have the same powers of refusing to give effect to such a renunciation as if it were a transfer.

TRANSMISSION OF SHARES

- 41 If a member dies the survivor or survivors where the member was a joint holder, and the member's personal representatives where the member was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to that member's interest; but nothing

contained in these Articles shall release the estate of a deceased member from any liability in respect of any share which had been held (whether solely or jointly) by the member.

- 42 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the Board may properly require and subject as hereinafter provided, elect either to become the holder of the share or to have some person nominated by that person registered as the transferee. If the person elects to become the holder that person shall give notice to the Company to that effect. If the person elects to have another person registered the person shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer and the registration of transfers of shares (including any right to refuse to register any instrument of transfer) shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the entitlement had not occurred.
- 43 Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall have the rights to which the person would be entitled if the person were the holder of the share, except that the person shall not, before being registered as the holder of the share, be entitled in respect of it to receive 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 in 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 and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

UNTRACEABLE SHAREHOLDERS

- 44 The Company shall be entitled to sell at the best price reasonably obtainable any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or otherwise by operation of law if and provided that:-
- 44.1 for a period of twelve years no cheque or warrant sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled to the shares at their address on the Register or (if different) the last known address given by the member or the person so entitled to which cheques and warrants are to be sent has been paid and no communication has been received by the Company from the member or the person so entitled (in their capacity as member or person entitled) and in such period of twelve years at least three dividends (of whatever nature) have become payable on the shares and no such dividend has been claimed; and
- 44.2 the Company has at the expiration of the said period of twelve years by advertisement in both a national newspaper and in a newspaper circulating in the area in which the address referred to in paragraph 44.1 of this Article is located given notice of its intention to sell such shares; and
- 44.3 during the period of three months following the publication of the said advertisements the Company has received no communication in respect of such share from such member or person entitled; and

- 44.4 notice has been given in writing or electronic form to the London Stock Exchange of its intention to make such sale.

If at any time during or after the said period of twelve years further shares have been issued in right of those held at the commencement of that period or of any issued in right during that period and, since the date of issue, the requirements of paragraphs 44.1 to 44.4 of this Article have been satisfied in respect of such further shares, the Company may also sell the further shares.

- 45 To give effect to a sale the Board may (i) if the shares concerned are in uncertificated form, in accordance with the Regulations, issue a written notification to the Operator requiring conversion of the shares in to certificated form; and (ii) authorise some person to execute an instrument of transfer of the shares to be sold. The purchaser shall not be bound to see the application of the purchase moneys and the title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled to the shares for an amount equal to the net proceeds, which shall be a debt of the Company, and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created and no interest shall be payable in respect of the debt, and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments for the benefit of the Company as the Board may from time to time determine.

DISCLOSURE OF INTERESTS

- 46 For the purposes of Articles 47 to 55 (inclusive), unless the context otherwise requires:-
- 46.1 “disclosure notice” means a notice issued by or on behalf of the Company requiring disclosure of interests in shares pursuant to Section 793 of the CA 2006;
- 46.2 “specified shares” means all or, as the case may be, some of the shares specified in a disclosure notice;
- 46.3 “restrictions” means one or more, as the case may be, of the restrictions referred to in Article 48;
- 46.4 “restriction notice” means a notice issued by or on behalf of the Company stating, or substantially to the effect, that (until such time as the Board determines otherwise pursuant to Article 49) the specified shares referred to therein shall be subject to one or more of the restrictions stated therein;
- 46.5 “restricted shares” means all or, as the case may be, some of the specified shares referred to in a restriction notice;
- 46.6 a person other than a member holding a share shall be treated as appearing to be interested in that share if:-
- 46.6.1 the member has informed the Company, whether under any statutory provision relating to disclosure of interest or otherwise, that the person is or may be, or had been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interest: or

- 46.6.2 the Board (after taking account of any information obtained from the member or, pursuant to disclosure notice, from any other person) knows or has reasonable cause to believe that the person is, or may be, or has been at any time during the three years immediately preceding the date upon which the disclosure notice is issued, so interested; or
- 46.6.3 in response to a disclosure notice, the member or any other person appearing to be so interested has failed to establish the identities of all those who are so interested and (after taking into account the response and any other relevant information) the Company has reasonable cause to believe that such person is or may be so interested;
- 46.7 “connected” shall have the meaning given to it in Section 839 of the Income and Corporation Taxes Act 1988;
- 46.8 “interested” shall be construed as it is for the purpose of Section 793 of the CA 2006;
- 46.9 “recognised investment exchange” shall have the same meaning as the FSMA; and
- 46.10 for the purposes of Articles 47.2 and 49 the Company shall not be treated as having received the information required by the disclosure notice in accordance with the terms of such disclosure notice in circumstances where the Board knows or has reasonable cause to believe that the information provided is false or materially incorrect.
- 47 Notwithstanding anything in these Articles to the contrary, if:-
- 47.1 a disclosure notice has been served on a member or any other person appearing to be interested in the specified shares; and
- 47.2 the Company has not received (in accordance with the terms of such disclosure notice) the information required therein in respect of any of the specified shares within fourteen days after the service of such disclosure notice (or if the information given is known by the member or other person to be false in a material particular or to recklessly given and false in a material particular);
- then the Board may (subject to Article 52 below) determine that the member holding the specified shares shall, upon the issue of a restriction notice referring to those specified shares in respect of which information has not been received, be subject to the restrictions referred to in such restriction notice, and upon the issue of such restriction notice such member shall be so subject. As soon as practicable after the issue of a restriction notice the Company shall serve a copy of the notice on the member holding the specified shares.
- 48 The restrictions which the Board may determine shall apply to restricted shares pursuant to Articles 47 to 55 (inclusive) shall be one or more, as determined by the Board, of the following:-
- 48.1 that the member holding the restricted shares shall not be entitled, in respect of the restricted shares, to attend or be counted in the quorum or vote either personally or by proxy at any general meeting or at any separate meeting of the holders of any class of shares or upon any poll or to exercise any other right or privilege in relation to any general meeting or any meeting of the holders of any class of shares;
- 48.2 that no transfer of the restricted shares shall be effective or shall be registered by the Company;
- 48.3 that no dividend (or other moneys payable) shall be paid in respect of the restricted shares and that, in circumstances where an offer of the right to elect to receive shares instead of cash in respect of any

dividend is or has been made, any election made thereunder in respect of such specified shares shall not be effective.

49 The Board may determine that one or more of the restrictions imposed on restricted shares shall cease to apply at any time. If the Company receives in accordance with the terms of the relevant disclosure notice the information required therein in respect of the restricted shares all restrictions imposed on the restricted shares shall cease to apply seven days after receipt of the information. In addition, in the event that the Company receives an executed instrument of transfer in respect of all or any restricted shares, which would otherwise be given effect to, pursuant to a sale:-

49.1 on a recognised investment exchange; or

49.2 on any stock exchange outside the United Kingdom on which the Company's shares are normally dealt; or

49.3 on the acceptance of a takeover offer (as defined in Section 974 of the CA 2006) for the shares of the class of which such restricted shares form part

to a party not connected with the member holding such restricted shares or with any other person appearing to be interested in such restricted shares, then all the restrictions imposed on such restricted shares shall cease to apply with effect from the date on which any such transfer as aforesaid is received by the Company for registration provided always that if, within ten days after such receipt, the Board decides that it has reasonable cause to believe that the change in the registered holder of such restricted shares would not be as a result of an arm's length sale resulting in a material change in the beneficial interests in such restricted shares, the restrictions imposed on the restricted shares shall continue to apply.

50 Where the Board makes a decision pursuant to the proviso to Article 49 above, the Company shall notify the purported transferee of such decision as soon as practicable and any person may make representations in writing or by electronic communication to the Board concerning any such decision. The Company shall not be liable to any person as a result of having imposed restrictions or decided that such restrictions shall continue to apply if the Board acted in good faith.

51 Where dividends or other moneys are not paid as a result of restrictions having been imposed on restricted shares, such dividends or other moneys shall accrue and, upon the relevant restriction ceasing to apply, shall be payable (without interest) to the person who would have been entitled had the restriction not been imposed.

52 Where the aggregate number of shares of the same class as the specified shares in which any person appearing to be interested in the restricted shares (together with persons connected with that person) appears to be interested represents less than 0.25 per cent. (in nominal value) of the shares of that class in issue at the time of service of the disclosure notice in respect of such specified shares only the restriction referred to in sub-paragraph 48.1 of these Articles may be determined by the Board to apply.

53 Shares issued in right of restricted shares shall on issue become subject to the same restrictions whilst held by that member as the restricted shares in right of which they are issued. For this purpose, shares which the Company offers or procures to be offered to shareholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain members by reason of legal or practical problems

associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of restricted shares.

- 54 The Board shall at all times have the right, at its discretion, to suspend, in whole or in part, any restriction notice given pursuant to Articles 47 to 55 (inclusive) either permanently or for any given period and to pay to a trustee any dividend payable in respect of any restricted shares or in respect of any shares issued in right of restricted shares. Notice of any suspension, specifying the sanctions suspended and the period of suspension, shall be given to the relevant holder in writing or electronic form within seven days after any decision to implement such a suspension.
- 55 The limitations on the powers of the Board to impose and retain restrictions under Articles 47 to 55 (inclusive) are without prejudice to the Company's power to apply to the court pursuant to the Acts to apply these or any other restrictions on any conditions.

ALTERATION OF SHARE CAPITAL

- 56 The Company may by ordinary resolution:-
- 56.1 increase its share capital by new shares of such amount as the resolution prescribes;
- 56.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 56.3 subject to the provisions of the Acts, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or deferred rights or be subject to any restrictions as compared with the others;
- 56.4 cancel or reduce the nominal value of shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled or the amount of the reduction.
- 57 Upon any consolidation of shares into shares of larger amount the Board may settle any difficulty which may arise with regard to such consolidation and in particular may, as between the holders of shares so consolidated, determine which shares are consolidated into each consolidated share and in the case of any shares registered in the name of one member being consolidated with shares registered in the name of another member the Board may make such arrangements for the allotment, acceptance and/or sale of shares representing fractional entitlements to the consolidated share or for the sale of the consolidated share and may sell the fractions or the consolidated share either upon the market or otherwise to such person at such time and at such price as it may think fit. For the purposes of giving effect to any such sale the Board may authorise some person to execute an instrument of transfer of the shares or fractions sold to, or in accordance with the directions of, the purchaser. The purchaser shall not be bound to see the application of the purchase moneys nor shall the purchaser's title to such shares be affected by any irregularity in or invalidity of the proceedings relating to the sale. The Board shall distribute the next proceeds of sale among such members rateable in accordance with their rights and interests in the consolidated share or the fractions provided that the Board shall have power when making such arrangements to determine that no member shall be entitled to receive such net proceeds of sale unless

the member's entitlement exceeds such amount as the Board shall determine (not exceeding £3 per holding) and if the Board exercises such power the net proceeds of sale not distributed to members as a result shall belong absolutely to the Company.

- 58 Subject to the provisions of the Acts, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account or other undistributable reserve in any way.

PURCHASE OF OWN SHARES

- 59 Subject to the provisions of the Acts, the Company may purchase its own shares (including any redeemable shares) and any shares to be so purchased may (subject to any resolution of the Company in a general meeting) be selected by the Board in any manner.

GENERAL MEETINGS

- 60 All general meetings other than annual general meetings shall be called General Meetings. The Company shall within six months of the financial year end hold a general meeting as its annual general meeting in addition to any other meetings in that year. The annual general meeting shall be held at such time and place as the Directors may appoint including partly (but not wholly) by means of such electronic facility or facilities pursuant to Article 63A.1 as may be determined by the Directors.
- 61 The Board may call General Meetings and, on the requisition of members pursuant to the provisions of the Acts, shall forthwith convene a General Meeting. If there are not sufficient Directors capable of acting to call a general meeting, any Director may call a General Meeting. If there is no Director able to act, any two members may call a General Meeting for the purpose of appointing Directors.

NOTICE OF GENERAL MEETINGS

- 62 Unless consent to short notice is obtained in accordance with the provisions of the Acts, an annual general meeting shall be called by at least twenty-one clear days' notice and General Meetings shall be called by at least fourteen clear days' notice. Subject to the provisions of these Articles and to any restrictions imposed on any shares, every notice of meeting shall be given to all the members, all other persons who are at the date of the notice entitled to receive notices from the Company and to the Directors and Auditors.
- 63 Every notice of meeting shall specify the place, the day and the time of the meeting and, in the case of special business (within the meaning of Article 65), the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. Every notice calling a meeting for the passing of a special resolution shall specify the intention to propose the resolution as a special resolution and the terms of the resolution. Every notice of meeting shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend

and to speak and vote instead of the member, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member, and that a proxy need not be a member.

- 63A.1 The Board may, if it considers it necessary, when specifying the place of a meeting;
 - 63A.1.1 direct that the meeting shall be held at a place specified in the notice (“Main Meeting Place”) at which the chair of the meeting shall preside; and
 - 63A.1.2 make arrangements for simultaneous attendance and participation by electronic facility or facilities at another place or other places by members and proxies otherwise entitled to attend the meeting but who are excluded from the Main Meeting Place or who wish to attend at the other place or any of such other places.
- 63A.2 Such arrangements for simultaneous attendance by electronic means may include arrangements for regulating the level of attendance in the manner aforesaid at the other place or any of such other places.
- 63A.3 The members present in person or by proxy at the other place or places by electronic means pursuant to the provisions of Article 63A.1.2 shall be counted in the quorum for, and entitled to vote at, the meeting in question, and that meeting shall be duly constituted and its proceedings shall be duly constituted and its proceedings valid if the chair of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending all the meeting places are able to:
 - 63A.3.1 participate in the business for which the meeting has been convened;
 - 63A.3.2 hear and see all persons who speak (whether by use of microphones, loudspeakers, audio visual communications equipment or otherwise) in the Main Meeting Place and the other place or places for the meeting; and
 - 63A.3.3 be heard and seen by all other persons present in the same way.
- 63A.4 If it appears to the chair of the meeting that the facilities at the Main Meeting Place or at the other place or places have become inadequate for the purpose referred to in Article 63A.3, then the chair may, without the consent of the meeting, interrupt or adjourn the meeting. All business conducted at that meeting up to the time of adjournment shall be valid, save that the chair may specify that only the business conducted at the meeting up to a point in time which is earlier than the time of the adjournment is valid if, in their opinion, to do so would be more appropriate. The provisions of Article 70 shall apply to that adjournment.
- 63A.5 For the purposes of all other provisions of these Articles (unless the context requires otherwise) the members shall be deemed to be meeting in one place, and that shall be the Main Meeting Place.
- 63A.6 All persons seeking to attend and participate in a general meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the power for the chair to adjourn a general meeting in accordance with the provisions of Article 63A.4, any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

- 64 The accidental omission to give notice of a meeting, or to send a form of proxy with a notice as required by these Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by such a person, shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 65 All business shall be deemed special that is transacted at a General Meeting, and all business that is transacted at an annual general meeting shall also be deemed special with the exception of:-

- 65.1 the laying and consideration of the reports of the Directors and Auditors, the annual accounts and any other documents required to accompany or to be annexed to them;
- 65.2 the sanction and declaration of dividends;
- 65.3 the election and re-election of Directors to fill vacancies caused by Directors retiring by rotation or otherwise;
- 65.4 the appointment of auditors where special notice of such appointment is not required by the Acts and the fixing or determination of the manner of fixing of their remuneration;
- 65.5 the giving, variation or renewal of any authority to the Board for the purpose of Section 551 of the CA 2006.

- 66 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. The absence of a quorum shall not preclude the appointment of a chair in accordance with the provisions of these Articles, which shall not be treated as part of the business of the meeting. Two members present in person or by proxy or by representative (in the case of a corporate member) and entitled to vote upon the business to be transacted at the meeting ("Qualifying Persons") shall be a quorum unless each is a Qualifying Person only because:

- 66.1 they are authorised to act as the representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or
- 66.2 they are appointed as a proxy of a member in relation to the meeting, and they are proxies of the same member.

Members attending a meeting who are not in the same location as each other may form part of the quorum.

- 67 If such a quorum is not present within fifteen minutes (or such longer time not exceeding one hour as the chair of the meeting may decide to wait) from the time appointed for the meeting, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case it shall stand adjourned to the same place and time one week later, or to such day (not being more than twenty-eight days after the date appointed for the meeting) and to such time and place as the Board may determine. If the meeting is adjourned for fourteen days or more, not less than five days' notice thereof shall be given by advertisement in one national newspaper, but no other notice shall be required. If at any such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, the member present in person or by proxy/proxies and entitled to vote upon the business to be transacted at the meeting shall be quorum.

- 68 The chair (if any) of the Board or in the chair's absence the deputy chair (if any) shall preside as chair at every general meeting of the company. If there is no such chair or deputy chair present and willing to act as chair at any meeting within five minutes after the time appointed for holding the meeting the Directors present shall choose one of their number to be chair and, if there is only one Director present and willing to act, that Director shall be chairman. If no Director is willing to act as chair, or if no Director is present within five minutes after the time appointed for holding the meeting, the members present in person or by proxy/proxies and entitled to vote shall choose one of their number to be chair of the meeting.
- 69 A Director shall, notwithstanding that the Director 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 in the Company.
- 70 The chair of a meeting at which a quorum is present may, with the consent of the meeting (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place and if it appears to the chair that it is likely to be impracticable to hold or continue the meeting, because the number of persons attending or wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, or the unruly conduct of persons attending the meeting prevents or is likely to prevent the continuation of the business of the meeting, the chair may adjourn the meeting to another time and place without the consent of the meeting. No business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty days or more (otherwise than due to the absence of a quorum) or without a time and place for the adjourned meeting being fixed, at least seven clear days' notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting. Otherwise it shall not be necessary to give any such notice.
- 71 No amendment or proposed amendment to any ordinary resolution shall be put to or voted upon by the members at any general meeting or adjourned general meeting unless the Company has received written notice of the amendment or proposed amendment and of the intention of the proposer to attend and propose it at least forty-eight hours before the time fixed for the general meeting. Notwithstanding that no such written notice shall have been given, the chair, in the chair's absolute discretion, may accept or propose at any general meeting or adjourned general meeting amendments of a minor or formal nature or to correct a manifest error or which he may in the chair's absolute discretion consider fit for consideration at the meeting.
- 72 Subject to Article 71, if an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chair of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 73 In the case of a resolution duly proposed as a special resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may be considered or voted upon.
- 74 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. Subject thereto, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of

hands unless before, or on the declaration of the result of, the show of hands, or on the withdrawal of any other demand for a poll, a poll is demanded by:-

- 74.1 the chair of the meeting; or
 - 74.2 at least three members present in person or by proxy/proxies having the right to vote and speak at the meeting; or
 - 74.3 a member or members present in person or by proxy/proxies and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - 74.4 a member or members present in person or by proxy/proxies holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
 - 74.5 any member present in person or by proxy/proxies in the case of a resolution to confer, vary, revoke or renew authority or approval for an off-market purchase by the Company of its own shares;
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
- 75 Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
 - 76 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
 - 77 A poll shall be taken as the chair of the meeting directs and the chair may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
 - 78 In the case of an equality of votes, the chair of the meeting is not entitled to a casting vote in addition to any other vote he may have.
 - 79 A poll demanded on the election of a chair of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chair directs not being more than thirty days after the poll is demanded. The demand for a poll (other than on the election of a chair of the meeting or on a question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
 - 80 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

80A If, after the sending of the notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impracticable or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting (including a satellite meeting to which Article 63A.1.2 applies) and/or by means of the electronic facility or facilities specified in the notice, it may postpone the general meeting to another date, time and/or place (or in the case of a general meeting to be held at a Main Meeting Place and one or more satellite meeting places, to such other places) and/or change the electronic facility or facilities. If such a decision is made, the Board may then change the place (or any of the places in the case of a general meeting to which Article 63A.1.2 applies) and/or the electronic facility or facilities and/or postpone the date and/or time again if it considers that it is reasonable to do so. No new notice of the general meeting need be sent but the Board shall take reasonable steps to ensure that notice of the change of date, time, place (or places, in the case of a general meeting to which Article 63A.1.2 applies) of and/or electronic facility or facilities for the postponed meeting appear at the original time and at the original place (or places, in the case of a general meeting to which Article 63A.1.2 applies) and/or on the original electronic facility or facilities. When a general meeting is so postponed, notice of the date, time and place (or places in the case of a meeting to which Article 63A.1.2 applies), including any electronic facility if applicable, of the postponed meeting shall be given in such manner as the Board may, in its absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a general meeting is postponed in accordance with this Article, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than forty-eight hours before the time appointed for holding the postponed meeting. When calculating the forty-eight hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

VOTES OF MEMBERS

- 81 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being themselves a member entitled to vote, and every proxy present who has been duly appointed by a member entitled to vote, shall have one vote, and on a poll every member and every proxy present who has been duly appointed by a member entitled to vote, shall have one vote for every share of which they are the holder.
- 82 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names of the holders stand in the Register in respect of the joint holding.
- 83 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, and otherwise exercise all the member's rights as a member by the member's receiver or other person authorised in that behalf appointed by that court, and any such receiver or other person

authorised in that behalf appointed by that court, and any such received or other person may, on a show of hands or on a poll, vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote or act shall be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not later than the time specified in accordance with these Articles for the deposit of instruments of proxy, and in default the right to vote shall not be exercisable.

- 84 Unless the Board otherwise determines, no member shall attend or vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company or upon a poll, either in person or by proxy, in respect of any share held by the member or exercise any other right or privilege conferred by membership in relation to any such meeting or poll unless all moneys presently payable by the member in respect of that share have been paid.
- 85 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is tendered, and every vote not disallowed at the meeting or poll shall be valid. Any objection made in due time shall be referred to the chair of the meeting whose decision shall be final and conclusive.

PROXIES

- 86 On a show of hands or on a poll, votes may be given either personally or by one or more proxies. 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 the member, and a person entitled to more than one vote need not use all that person's votes or cast all the votes that person uses in the same way. A proxy shall be entitled to speak at any general meeting, and demand or join a demand for a poll in accordance with Section 285 and 324 of the CA 2006. A person appointed to act as a proxy need not be a member of the Company.
- 87 Proxy forms for use in respect of any general meeting shall be sent by the Company to all persons entitled to notice of and to attend and vote at that meeting. The Directors should send proxy forms by post (which may be at the expense of the Company and with or without provisions for their return pre-paid) subject to the extent that a member has consented to the use of electronic / website communication and notified an address for that purpose and if the Directors so decide, using electronic / website communication to all persons entitled to notice of, and to attend and vote at, any general meeting or at any separate meeting of the holders of any class of shares in the Company. The instrument appointing a proxy shall be in writing or electronic form executed by or on behalf of the appointor or, if the appointor is a corporation, under the hand of a duly authorised officer or attorney, or in electronic form and shall be in any common form or in any other form which the Board shall approve. The instrument appointing a proxy shall be deemed (subject to any contrary direction contained in the instrument) to confer authority to demand or join in demanding a poll and to vote on a show of hands or on a poll on any resolution or amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given as the proxy thinks fit. The instrument appointing a proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. If a

member appoints more than one person to act as the member's proxy the instrument appointing each such proxy shall specify the shares held by the member in respect of which each such proxy is authorised to vote and no member may appoint more than one proxy (save in the alternative) to vote in respect of any one share held by that member.

88 The instrument appointing a proxy and (unless the Board otherwise decides) any authority under which it is executed or a copy of such authority certified notarially or in accordance with the Powers of Attorney Act 1971 or in some other way approved by the Board shall:-

88.1 be deposited at the Office or at such other place within the United Kingdom as may be specified in the notice of meeting or any proxy form or other document accompanying the same not less than forty-eight hours before the time for holding the meeting or adjourned meeting or the taking of the poll at which the person named in the instrument proposes to vote; or

88.2 in the case of an appointment contained in an electronic /website communication, be communicated so as to be delivered to an address or location (including any number) specified in the notice convening the meeting (or in any instrument of proxy sent out, or invitation contained in an electronic / website communication to appoint a proxy issued by or on behalf of the Company in relation to the meeting) not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

88.3 in the case of a poll taken more than forty-eight hours after it is demanded, be deposited as aforesaid not less than twenty-four hours before the time appointed for the taking of the poll; or

88.4 where the poll is not taken forthwith but is taken not more than forty eight hours after it was demanded, in the case of an appointment otherwise than by electronic communication be delivered at the meeting at which the poll was demanded to the chair of the meeting or to the Secretary or to any Director or in the case of an appointment by electronic communication be received at the address notified by the Company for such purposes, in each case at any time prior to the commencement of such meeting;

and an instrument of proxy which is not delivered or deposited in a manner so permitted shall be invalid. In calculating the periods mentioned in this Article the Board may determine that no account shall be taken of any part of a day that is not a working day. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting or poll, the one which is last delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other as regards that share; if the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share. No instrument of proxy shall be valid after the expiration of twelve months from the date stated in it as the date of its execution. The time periods referred to in this Article shall be construed in accordance with Section 327(3) of the CA 2006.

89 A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll or the death or insanity of the principal unless notice of the determination was received by the Company at the Office or at such other place or electronic address as is specified for the deposit of instruments of proxy not less than two hours before the time for holding the meeting or adjourned meeting

at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

REPRESENTATIVES OF CORPORATIONS

- 90 Any corporation (which includes, without prejudice to the foregoing, any company, body corporate (not being a corporation sole), limited partnership or association of persons) which is a member of the Company may, by resolution of its directors or other governing body, authorise any person it thinks fit to act as its representative at any meeting of the Company in accordance with Section 323 of the CA 2006. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which the person represents as that corporation could exercise if it were an individual member of the Company present in person and shall for the purposes of these Articles be regarded as a member present in person. Such representative may be required to produce a copy of such resolution certified by a proper officer of such corporation. A corporation which is a member of the Company may authorise more than one person to act as its representative in respect of any meeting or meetings provided that each representative is authorised to vote in respect of different shares held by that corporation.

CLASS MEETINGS

- 91 Unless otherwise provided by the terms of issue of any class of shares of the Company, all the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall, mutatis mutandis, apply to every separate meeting of the holders of any class of shares of the Company, except that in the case of a meeting held in connection with the variation or abrogation of the rights attached to the shares of the class:-
- 91.1 the necessary quorum shall be two persons at least holding or representing by proxy at least one third in nominal amount of the issued shares of the class or, at any adjourned meeting of such holders, the holder or holders of shares of the class who are present in person or by proxy, whatever their holdings;
- 91.2 a poll may be demanded by any holder of shares of the class present in person or by proxy/proxies; and
- 91.3 the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

NUMBER OF DIRECTORS

- 92 Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two or more than ten.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 93 At every annual general meeting any Directors who shall be bound to retire under these Articles (other than this Article) and one third of the other Directors (other than any Directors exempt from retirement

by rotation under these Articles) or, if their number exceeds but is not a multiple of three, the number nearest to (but not exceeding) one third or, if their number is less than three, one such other Director, shall retire from office and shall be eligible for reappointment, provided that no Director shall be required to retire by rotation earlier than the third annual general meeting after the meeting at which the Director was elected or last elected. A Director retiring at a meeting who is not reappointed shall retain office until the meeting appoints someone in that Director's place or, if it does not do so, until the end of the meeting or of any adjournment thereof.

- 94 Subject to the provisions of the Acts, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting and no Director shall be required to retire by rotation or be relieved from retiring by rotation by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.
- 95 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
- 96 No Director shall vacate or be required to vacate their office as a Director on or by reason of attaining or having attained the age of seventy or any other age, and any Director retiring or liable to retire under the provisions of these Articles and any person proposed to be appointed a Director shall be capable of being appointed or reappointed notwithstanding that they have attained the age of seventy or any other age and no special notice need be given of any resolution for the appointment or reappointment as a Director of a person who shall have attained the age of seventy or any other age.
- 97 No person other than a Director retiring at the meeting shall be appointed or reappointed a Director at any general meeting unless:
- 97.1 they are recommended by the Board; or
- 97.2 not less than seven nor more than twenty one clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of their intention to propose that person for appointment or reappointment stating the particulars which would, if that person were so appointed or reappointed, be required to be included in the Company's register of directors together with notice executed by that person confirming that person's willingness to be appointed or reappointed.
- 98 Subject to the provisions of these 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 additional Director.
- 99 Subject to Section 168 of the CA 2006 the Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the

maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at such meeting under these Articles. If not reappointed at such annual general meeting, the Director shall vacate office at its conclusion.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 100 In addition to any power of removal conferred by the Acts, the Company may by special resolution remove any Director before the expiration of their period of office and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in their place. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between the Director and the Company. Any person so appointed shall be treated, for the purpose of determining the time at which that person or any other Director is to retire, as if that person had become a Director on the day on which the person in whose place that person is appointed was last appointed or reappointed a Director.
- 101 The office of a Director shall be vacated if:-
- 101.1 the Director becomes bankrupt or makes any arrangements or composition with the Director's creditors generally; or
- 101.2 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that he has become incapable by reason of physical incapacity or mental disorder of discharging his duties as a Director and may remain so for more than three months, and the Board resolves that his office be vacated; or
- 101.3 the Director is absent from meetings of the Board during a continuous period of six months without permission of the Board and the Director's Alternate Director (if any) shall not during such period have attended instead of the Director, and the Board resolves that the Director's office be vacated; or
- 101.4 the Director ceases to be a Director by virtue of any provision of the Acts, is removed from office or becomes prohibited by law from being a Director; or
- 101.5 the Director resigns the Director's office by notice to the Company; or
- 101.6 the Director is removed from office by notice in writing or by electronic communication signed by all the other Directors.

ALTERNATE DIRECTORS

- 102 Any Director may appoint any other Director, or any other person approved by resolution of the Board and willing to act, to be an Alternate Director and may remove from office an Alternate Director so appointed by the Director.
- 103 The appointment of an Alternate Director shall automatically determine if any of the following events:-
- 103.1 if the Alternate Director's appointor terminates the appointment;

- 103.2 on the happening of any event which, if the Alternate Director were a Director, would cause the Alternate Director to vacate the office of Director;
- 103.3 if the Alternate Director resigns the Alternate Director's appointment by notice to the Company;
- 103.4 if the Alternate Director's appointor ceases for any reason to be a Director otherwise than by retiring and being reappointed or deemed to be reappointed at the meeting at which the Director retires;
- 103.5 if the Alternate Director is not a Director and the Board revokes its approval of the Alternate Director by resolution.
- 104 An Alternate Director shall (subject to the Alternate Director giving the Company an address within the United Kingdom at which notices may be served upon the Alternate Director) be entitled at the Alternate Director appointor's request to receive notice of all meetings of the Board and of all meetings of committees of the Board of which the Alternate Director's appointor is a member, to attend and vote and (save as provided in these Articles) be counted in the quorum at any such meeting at which the Director appointing the Alternate Director is not personally present, and generally to perform all the functions of the Alternate Director's appointor as a Director in the Alternate Director appointor's absence.
- 105 An Alternate Director may be repaid by the Company such expenses as might properly have been repaid to the Alternate Director if the Alternate Director had been a Director and in respect of the Alternate Director's office of Alternate Director may receive such remunerations from the Company as the Board may determine. An Alternate Director shall be entitled to be indemnified by the Company to the same extent as if the Alternate Director were a Director.
- 106 An Alternate Director shall, during the Alternate Director's appointment, be an officer of the Company and shall alone be responsible for the Alternate Director's own acts and defaults and the Alternate Director shall not be deemed to be the agent of the Director appointing the Alternate Director.
- 107 Any appointment or removal of an Alternate Director shall be in writing signed by the Director making or revoking the appointment or in any other manner approved by the Board (including electronic communication) and shall take effect (subject to any approval required by these Articles) upon receipt of such written appointment or removal at the Office or by the Secretary.
- 108 A Director or any other person may act as Alternate Director to represent more than one Director and an Alternative Director shall be entitled at meetings of the Board or any committee of the Board to one vote for every Director whom the Alternate Director represents in addition to the Alternate Director's own vote (if any) as a Director.

POWERS OF DIRECTORS

- 109 Subject to the provisions of the Acts, the Memorandum of Association of the Company and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by these Articles and a duly convened

meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board. In the performance of their functions, the Directors shall comply with their duties (fiduciary or otherwise) including those as stated in the Acts.

- 110 The Board may make such arrangements as the Board thinks fit for the management and transaction of the Company's affairs and may for that purpose appoint local boards, managers and agents and delegate to them any of the powers of the Board with power to sub-delegate.
- 111 The Board may from time to time, by power of attorney executed by the Company or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney or other authority may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Board may think fit and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in them.

DELEGATION OF DIRECTORS' POWERS

- 112 The Board may delegate any of its powers, authorities and discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the agreement of the terms of service or termination of employment or appointment of or the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to any committee consisting of one or more Directors together with any other person or persons approved by the Board, with power to sub-delegate. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of these Articles regulating the proceedings of the Board so far as they are capable of applying. Insofar as any power, authority or discretion is delegated to a committee, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be read and construed as if it were a reference to the exercise of such power, authority or discretion by such committee. Every such committee shall have as a majority of its membership persons who are Directors and no resolution of any such committee shall be effective unless the majority of the persons present (in person or by their Alternate Directors) at the meeting at which it is passed are Directors.

BORROWING POWERS

- 113 The Board shall restrict the borrowings of the Company, and shall so far as possible by the exercise of the Company's voting rights in and other rights or powers of control over its Subsidiary Undertakings secure that they restrict their borrowings, so that the aggregate principal amount at any time outstanding in respect of money borrowed by the Group shall not without the previous sanction of an ordinary resolution of the Company exceed a sum equal to the adjusted share capital and reserves provided that prior to the publication of an audited balance sheet of the Company such aggregate principal amount

shall be limited to ninety per cent of the amount paid up or credited as paid up (whether in respect of nominal value or premium) on the allotted or issued share capital of the Company.

114 For the purposes of Article 113:-

114.1 “adjusted share capital and reserves” means the aggregate of the amount paid up or credited as paid up on the allotted or issued share capital of the Company and the amount standing to the credit or each of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve, revaluation reserve and profit and loss account but net of any debit balance on profit and loss account) of the Group but adjusted as may be necessary:-

114.1.1 to take account of any variation in the paid up share capital, share premium account or capital redemption reserve of the Company since the date of that balance sheet and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten (whether conditionally or not) then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription money shall to the extent so underwritten be deemed to have been paid up on the date when the issue was underwritten;

114.1.2 to take account in the case of Subsidiary Undertakings of the interests of participants outside the Group (if any) and any variation in the interest of the Company in any Subsidiary Undertaking between the date of the balance sheet and the date for which the calculation falls to be made; and

114.1.3 to take account of any other factor which the Directors or the Auditors consider relevant;

114.2 “money borrowed” shall include:-

114.2.1 the nominal amount and any fixed or minimum premium payable on redemption or repayment of any debentures or loan capital issued by any member of the Group;

114.2.2 the nominal amount of any issued share capital and the principal amount of any money borrowed, the redemption or repayment of which is guaranteed or secured or the subject of an indemnity by the Company or any Subsidiary Undertaking (together in each case with any fixed or minimum premium payable on final redemption or repayment) except so far as such money borrowed is otherwise taken into account as money borrowed by the Company or a Subsidiary Undertaking;

114.3 but the following shall be disregarded:-

114.3.1 money borrowed by a member of the Group from another member of the Group, other than amounts to be taken into account under Article 114.3.3;

114.3.2 any money borrowed intended to be applied within four months of being borrowed in the repayment of any money previously borrowed pending its application for such purpose within such period; and

114.3.3 that proportion of the total money borrowed by any partly-owned Subsidiary Undertaking which its issued equity share capital not for the time beneficially owned directly or indirectly by the Company bears to the whole of its issued equity share capital but a like proportion of any borrowings from such partly-owned Subsidiary Undertaking shall fall to be treated as borrowings of the Company or such other Subsidiary Undertaking notwithstanding the same would not otherwise be taken into account.

- 115 For the purposes of calculating the amount of money borrowed under Article 113 there shall be credited (subject, in the case of any item held or deposited by a partly-owned Subsidiary Undertaking, to the exclusion of a proportion thereof equal to the proportion of the issued equity share capital of the partly-owned Subsidiary Undertaking which is not directly or indirectly attributable to the Company) against the gross amount of money borrowed the aggregate of:-
- 115.1 cash in hand of the Group;
- 115.2 the realisable value of certificates of deposit and securities of governments and companies owned by a member of the Group; and
- 115.3 cash deposits and the credit balance on each current account of the Group with banks in the United Kingdom or elsewhere if the remittance of the cash to the United Kingdom is not prohibited by any law, regulation, treaty or official directive; however, if the remittance of such cash is prohibited it shall nonetheless be deducted from amounts borrowed but only to the extent that it may be set-off against or act as security for such amounts.
- 116 No person dealing with the Company or any of its Subsidiary Undertakings shall by reason of the foregoing provisions be concerned to see or enquire whether this limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual.
- 117 A report by the Auditors stating what is in their opinion, based on their examination of the accounting records of the Group or such other evidence as they may think appropriate, the amount of the adjusted share capital and reserves or the amount of money borrowed or to the effect that the limit imposed by Article 113 was not or will not be exceeded at any time or times shall be conclusive evidence of such amount or fact for the purposes of Article 113.

EXECUTIVE DIRECTORS

- 118 Subject to the provisions of the Acts, the Board may:-
- 118.1 appoint one or more of its body to the office of managing director or chief executive or to any other executive office (except that of auditor) of the Company and may enter into an agreement or arrangement with any Director for that Director's employment by the Company or any Subsidiary Undertaking or for the provision by that Director of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Board determines and it may remunerate any such Director for the Director's services as it thinks fit;
- 118.2 permit any person appointed to be a Director to continue in any other office or employment held by that person with the Company or any Subsidiary Undertaking before that person was so appointed.
- 119 Any appointment of a Director to the office of managing director or chief executive shall terminate if that Director ceases to be a Director but without prejudice to any claim for damages for breach of contract of service between the Director and the Company and that Director shall not (unless any agreement between that Director and the Company shall otherwise provide) cease to hold that Director's office as Director by reason only of that Director ceasing to be managing director or chief executive. Any person who, on ceasing to hold the office of managing director or chief executive, remains in office as a Director

shall, if that person has been exempt from retirement by rotation during that person's period of appointment, retire from office at the next following annual general meeting and shall then be eligible for reappointment, but shall not be taken into account in determining the Directors to retire by rotation at such meeting under these Articles.

- 120 An Executive Director shall not be exempt from retirement by rotation, and (unless any agreement between the Executive Director and the Company shall otherwise provide) the Executive Director shall not cease to hold the Executive Director's office or employment with the Company by reason only of the Executive Director ceasing to be a Director nor cease to be a Director if the Executive Director ceases from any cause to hold the office or employment by virtue of which the Executive Director is termed an Executive Director.
- 121 The emoluments and benefits of any Executive Director for the Executive Director's services as such shall be determined by the Board and may be of any description, and (without limiting the generality of the foregoing) may include membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependents or, apart from membership of any such scheme or fund, the payment of a pension or other benefits to the Executive Director or the Executive Director's dependants on or after retirement or death.
- 122 The Board may delegate or entrust to and confer upon any Executive Director any of the powers, authorities and discretions exercisable by it (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw or vary all or any part of such powers.

ASSOCIATE DIRECTORS

- 123 The Board may at any time and from time to time appoint any person to be an associate director having such title, including the word "director", as the Board may decide and may at any time remove any person so appointed. A person so appointed shall not be a Director of the Company and shall not be a member of the Board. Subject as aforesaid, the Board may define and limit the powers and duties of any associate director and may determine the associate director's remuneration which may be in addition to any other remuneration receivable by the associate director from the Company or any Subsidiary Undertaking.

REMUNERATION OF DIRECTORS

- 124 The ordinary remuneration of the Directors (other than any Executive Directors appointed under these Articles) shall be such amount as the Directors shall from time to time determine provided that, unless otherwise approved by the Company in general meeting, the aggregate of the ordinary remuneration of such Directors shall not exceed £[130,000] a year. The ordinary remuneration shall be divided among such Directors in such manner as the Directors may determine. A Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration.

- 125 Any Director who, by request of the Board, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

DIRECTORS' EXPENSES

- 126 The Directors may be paid all travelling, hotel and other expenses as they may incur in connection with their attendance at meetings of the Board or of committees of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company or otherwise in connection with the discharge of their duties.

DIRECTORS' GRATUITIES AND PENSIONS

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

DIRECTORS' INTERESTS IN CONTRACTS WITH THE COMPANY

- 128 For the purposes of Articles 129, 130, 131 and 132:
- 128.1 a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;
- 128.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect the Director to have knowledge shall not be treated as an interest of the Director; and
- 128.3 an interest of a person who is connected with a Director shall be treated as an interest of the Director.
- 129 A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement with the Company shall at a meeting of the Board, declare in accordance with the Acts the nature of the Director's interest.
- 130 Subject to the provisions of the Acts, and provided that the Director has disclosed to the Board the nature and extent of any interest of the Director in accordance with Article 129, a Director notwithstanding the Director's office:-
- 130.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

- 130.2 may be a party to, or otherwise interested in, any proposed transaction or arrangement with the Company or in which the Company is otherwise interested;
- 130.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 130.4 shall not, by reason of the Director's office, be accountable to the Company for any benefit which the Director derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- 130.5 may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and the Director or their firm shall be entitled to remuneration for professional services as if the Director were not a Director of the Company;

Save that with effect from the date on which sections 177 and 182 of the CA 2006 shall come into effect, a Director shall, subject to sub-section 177(6) of the CA 2006, be required to disclose all interests whether or not material in any transaction or arrangement referred to in Articles 130.1 and 130.2 and the declaration of interest must (in the case of a transaction referred to in Article 130.1) and may, but need not (in the case of a transaction or arrangement referred to in Article 130.2) be made

- a) at a meeting of the Board; or
- b) by notice to the Board in accordance with:
 - (i) section 184 of the CA 2006 (notice in writing); or
 - (ii) section 185 of the CA 2006 (general notice).

DIRECTORS INTERESTS OTHER THAN IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

- 131 For the purposes of Section 175 of the CA 2006, the Board shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that Section to avoid a situation in which the Director has, or can have, a direct or or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. For these purposes references to a conflict of interest includes a conflict of interest and duty and a conflict of duties. Articles 131 to 135 (inclusive) do not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company,
- 132 Authorisation of a matter under Article 131 shall be effective only if:
- 132.1 the matter in question shall have been proposed in writing (giving full particulars of the relevant situation) for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may approve; and

- 132.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the “Interested Directors”); and
- 132.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors have not been counted.
- 133 Any authorisation of a matter pursuant to Article 132 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 134 Any authorisation of a matter under Article 132 shall be subject to such terms as the Board may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time. Such terms may include, without limitation, terms that the relevant Director (a) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by that Director otherwise than by virtue of that Director's position as a Director, if to do so would breach any duty of confidentiality to a third party, (b) may be required by the Company to maintain in the strictest confidence any confidential information relating to the Company which also relates to the situation as a result of which the conflict arises (“the conflict situation”), (c) may be required by the Company not to attend any part of a meeting of the Directors at which any matter which may be relevant to the conflict situation is to be discussed, and not to view any board papers relating to such matters, and (d) shall not be obliged to account to the Company for any remuneration or other benefits received by that Director in consequence of the conflict situation. A Director shall comply with any obligations imposed on that Director by the Directors pursuant to any such authorisation.
- 135 A Director shall not, save as otherwise agreed by that Director, be accountable to the Company for any benefit which that Director (or a person connected with that Director) derives from any matter authorised by the Directors under Article 132 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
- 136 A Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which that Director has, directly or indirectly, an interest which is material (otherwise than by virtue of that Director's interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless that Director's interest or duty arises only because the case falls within one or more of the following paragraphs:-
- 136.1 the resolution relates to the giving to that Director or a person connected with that Director of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by that Director or such a person at the request of or for the benefit of, the Company or any Subsidiary Undertaking;
- 136.2 the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any Subsidiary Undertaking for which the Director or a person connected with that Director has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the given of security;
- 136.3 that Director's interest arises by virtue of that Director or a person connected with that Director subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any Subsidiary Undertaking or by virtue of that Director or a person connected with that Director being, or

intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any Subsidiary Undertaking for subscription, purchase or exchange;

- 136.4 the resolution relates in any way to any other company in which that Director is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that the Director and any persons connected with that Director do not to that Director's knowledge hold an interest in shares (as that term is used in Part 22 of the CA 2006) representing one per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company;
- 136.5 the resolution relates in any way to an arrangement for the benefit of the employees of the Company or any Subsidiary Undertaking which does not award that Director as such any privilege or advantage not generally awarded to the employees to whom such arrangement relates;
- 136.6 the resolution relates in any way to the purchase or maintenance for the Directors of insurance against any liability which by virtue of any rule of law would otherwise attach to all or any of them in respect of any negligence, default, breach of duty or breach of trust in relation to the Company.
- 137 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which that Director is not entitled to vote.
- 138 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or a body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided the Director is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning their own appointment.
- 139 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to vote and such question is not resolved by that Director voluntarily agreeing to abstain from voting, the question may (unless the Director is concerned is the chair of the meeting in which case the Director shall withdraw from the meeting and the Board shall elect a vice chair to consider the question in place of the chair), before the conclusion of the meeting, be referred to the chair of the meeting and the chair's ruling in relation to any Director other than the chair shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned has not been fairly disclosed and provided that any such question shall, for the purposes of disclosure of the interest in the accounts of the Company, be finally and conclusively decided by a majority of the Board (other than the Director concerned).

PROCEEDINGS OF THE BOARD

- 140 Subject to the provisions of these Articles, the Board may regulate its proceedings as it thinks fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to a Director who is absent from the United Kingdom, unless that Director has given notice to the Company of an address within the United Kingdom

or an electronic address to which notice should be sent during that Director's absence. A Director may waive notice of any meeting either prospectively or retrospectively.

- 141 Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote.
- 142 The quorum for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two. A person who holds office as an Alternate Director shall, if the Alternate Director's appointor is not present, be counted in the quorum provided that a Director or Alternate Director who attends a meeting of the Board shall for the purposes of a quorum be counted as one person notwithstanding that the person also attends such meeting as an Alternate Director or that he attends as an Alternate Director appointed by more than one Director.
- 143 Any Director or other person may participate in a meeting of the Board by means of conference telephone, electronic communication or similar communications equipment whereby all persons participating in the meeting can hear each other and any person participating in the meeting in this manner shall be deemed to be present in person at that meeting. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, at the place where the chair of the meeting is at the time the meeting is held.
- 144 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies in the Board or of calling a general meeting.
- 145 The Board may appoint one of its number to be the chair of the Board and one or more deputy chair and may at any time remove them from office. Unless the chair of the Board is unwilling to do so, the chair of the Board shall preside at every meeting of the Board at which the chair of the Board is present. But if there is no chair of the Board or deputy chairman holding office, or if at any meeting neither the chair of the Board nor a deputy chair is present and willing to preside within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chair of the meeting.
- 146 A resolution in writing or in electronic form signed by all the Directors entitled to receive notice of a meeting of the Board (not being less than the number required to form a quorum of the board) or all members of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an Alternate Director need not also be signed by that Alternate Director's appointor and, if it is signed by a Director who has appointed an Alternate Director, it need not be signed by the Alternate Director in that capacity.
- 147 All acts done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director, Alternate Director or member of a committee shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment or continuance in office of any Director, Alternate Director or person acting as aforesaid, or that any of them were disqualified from holding office, or had

vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, Alternate Director or member of a committee and had been entitled to vote.

SECRETARY

- 148 Subject to the provisions of the Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board. Two or more persons may be appointed as joint secretaries and the Board may also appoint from time to time on such terms as it may think fit one or more temporary or assistant or deputy secretaries.

MINUTES

- 149 The Board shall cause minutes to be made in books kept for the purpose:-
- 149.1 of all appointments of officers made by the Board; and
- 149.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Board, and of committees of the Board, including the names of the Directors present at each such meeting.
- 150 Any such minutes, if purporting to be signed by the chair of the meeting to which they relate or of the meeting at which they are approved, shall be sufficient evidence without any further proof of the facts stated in them.

THE SEAL

- 151 If the Company has a Seal it shall only be used by the authority of the Board or of a committee of the Board authorised by the Board. The Board may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.
- 152 The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

DIVIDENDS

- 153 Subject to the provisions of the Acts, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.
- 154 Except as otherwise provided by the rights attached to the shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All

dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

- 155 Subject to the provisions of the Acts, the Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes of shares, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Board may also pay at intervals settled by it any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Board acts in good faith the Directors shall not incur any liability to the holders of shares conferring preferred rights for any loss that they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 156 The Directors may from time to time before recommending any dividend, whether preferential or otherwise, but having regard to the Company's status as a venture capital trust (as defined in Section 259 of the Income Taxes Act 2007) set aside out of the profits of the Company (including any premiums received upon the issue of debentures or other securities or rights of the Company), and carry to reserve, such sums as they think proper as a reserve or reserves. Such sums shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (including, but subject to the provisions of the Act, the shares of the Company) as the Directors may from time to time think fit. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it prudent not to divide.
- 157 The Board may deduct from any dividend or other moneys payable on or in respect of a share to any member all sums of money (if any) presently payable by the member to the Company on account of calls or otherwise in relation to shares of the Company.
- 158 No dividend or other moneys payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share. All unclaimed dividends may be retained by the Company or invested or made use of by the Company as the Board may think fit until they are claimed and so that the Company shall not be obliged to account for any interest or other income derived from them nor shall it be constituted a trustee in respect of them or be responsible for any loss thereby arising. Any interest or profits earned on unclaimed dividends invested or otherwise made use of shall belong to the Company. Any dividend which has remained unclaimed for twelve years from the date when it was declared or became due for payment shall be forfeited and cease to remain owing by the Company.
- 159 Any dividend or other moneys payable in respect of a share shall belong and 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 on which such other moneys shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

- 160 The Board may pay the dividends or other moneys payable on shares in respect of which any person is entitled to be registered as holder by transmission 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.
- 161 Any dividend or other moneys payable in cash in respect of a share may be paid by:-
- 161.1 cheque or warrant sent by post to the address in the Register of the person entitled to the moneys or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder or otherwise by operation of law, to the address in the Register of that one of those persons who is first named in the Register in respect of the joint holding or to such person and to such address as the person or persons entitled to the moneys may in writing or electronic form direct. Every such cheque or warrant shall be made payable to the person or persons entitled to the moneys or to such other person as the person or persons so entitled may in writing or electronic form direct and shall be sent at the risk of the person or persons so entitled and payment of the cheque or warrant shall be a good discharge to the Company. Any such cheque or warrant may be crossed "account payee" although the Company shall not be obliged to do so;
- 161.2 inter-bank transfer to such account as the person or persons entitled to the moneys may in writing or electronic form direct; or
- 161.3 such other method of payment as the person or persons entitled to the moneys may in writing or electronic form agree to.

Without prejudice to the generality of the foregoing in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders, or if permitted by the Company, of such person as the holder or holders may direct. Where an authority in that behalf shall have been received by the Company in such form as the Company shall consider sufficient the Company may pay the amount distributable to such member or person to that member or person's bankers or other agents and payment in accordance with such authority shall constitute a good discharge therefor.

- 162 If on two consecutive occasions cheques or warrants in payment of dividends or other moneys payable in respect of any shares have been sent through the post in accordance with the provisions of the preceding Article but have been returned undelivered or left uncashed during the periods for which they are valid, the Company need not thereafter despatch further cheques or warrants in payment of dividends or other moneys payable on or in respect of the share in question until the member or other person entitled thereto shall have communicated with the Company and supplied in writing or electronic form to the Transfer Office a new address to be used for the purpose.
- 163 Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets and in particular

of fully paid shares or debentures of any other company, and the Board shall give effect to such directions. Where any difficulty arises in regard to the distribution, the Board may settle the same as it thinks expedient, and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of those entitled to participate in the dividend, and may vest any such specific assets in trustees, upon trust for the members entitled to the dividend, as may seem expedient to the Board.

- 164 The Board may, with the sanction of an ordinary resolution of the Company, offer the holders of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of such dividend or dividends as are specified by such resolution. The following provisions shall apply:-
- 164.1 the resolution may specify a particular dividend, or may specify all or any dividends declared or paid within a specified period, but such period shall end not later than the beginning of the annual general meeting in the fifth year following that in which such resolution is passed;
- 164.2 the entitlement of each holder of shares to new shares shall be such that the Relevant Value of such new shares shall be as nearly as possible equal to (but not in excess of the cash amount that such holders would otherwise have received by way of dividend. For this purpose “Relevant Value” shall be the average of the middle market quotations for such a share as derived from the London Stock Exchange Daily Official List on such five consecutive dealing days as the Directors shall determine provided that the first of such dealing days shall be on or after the day when the shares are first quoted “ex” the relevant dividend, or as otherwise determined by an ordinary resolution of the Company;
- 164.3 the basis of allotment shall be such that no member may receive a fraction of a share;
- 164.4 the Board, after determining the basis of allotment, shall notify the holders of shares in writing or electronic form of the right of election offered to them and (except in the case of any holder from whom the Company has received written notice in such form as the Board may require which is effective for the purposes of the relevant dividend that such holder wishes to receive shares instead of cash in respect of all future dividends in respect of which the Board offers the holders of shares the right to elect to receive shares as aforesaid) shall send with, or following, such notification, forms of election and specify the procedure to be followed and place at which, and the latest date and time by which, duly completed forms of election must be lodged in order to be effective;
- 164.5 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 such election has been duly made (“the elected shares”) and instead additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as provided above. For such purpose the Board shall capitalise out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine a sum equal to the aggregate nominal amount of the additional shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the elected shares on such basis;

- 164.6 the additional shares so allotted shall rank *pari passu* in all respects with the fully-paid shares of that class then in issue save only as regards participation in the relevant dividend;
- 164.7 the Board may on any occasion determine the rights of election shall only be made available subject to such exclusions, restrictions or other arrangements as it may in its absolute discretion deem necessary or desirable in order to comply with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory.
- 165 If several persons are entered in the Register as joint holders of any share or are jointly entitled to a share, any one of them may give receipts for any dividend or other moneys payable in respect of the share and the Board may deduct from the dividends or other moneys payable in respect of any share held jointly by several persons all sums of money (if any) presently payable to the Company from any one or more of the registered holders on account of calls or otherwise in relation to shares in the Company held in the joint names of all (but not some only) of such registered holders.

DISTRIBUTION OF REALISED CAPITAL PROFITS

- 166 At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company (“a Relevant Period”) distribution of the Company’s capital profits (within the meaning of Section 833(2)(c) of CA 2006) shall be prohibited. The Board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation of revaluation of investments and all other moneys realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other moneys which are considered by the Board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the Acts, the Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Acts, any expenses, loss or liability (or provision therefore) which the Board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the capital reserve shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by Section 830(2) of the CA 2006) or be applied in paying dividends on any shares in the Company otherwise than by way of redemption or purchase by the Company of its own shares in accordance with Chapter 3 or 4 of Part 18 of the CA 2006. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by Section 830(2) of the CA 2006) or be applied in paying dividends on any shares in the Company.

ACCOUNTS

- 167 No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by the Acts or authorised by the Board or by ordinary resolution of the Company.
- 168 Save as provided in Article 167, a copy of the annual accounts of the Company together with a copy of the Auditors' report and the Directors' report shall, not less than twenty one days before the date of the general meeting at which copies of those documents are to be laid, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings.
- 169 Copies of the documents referred to in Article 168 need not be sent:-
- 169.1.1 to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or
- 169.1.2 to more than one of the joint holders of shares or debentures in respect of those shares or debentures.
- Provided that any member or debenture holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.
- 170 The Company may, in accordance with Section 426 of the CA 2006 (insofar as applicable) and any regulations made under the aforesaid, send a summary financial statement to any of the persons otherwise entitled to be sent copies of the documents referred to in Article 168 instead of or in addition to these documents and, where it does so, the statement shall be delivered or sent by post to such person not less than twenty one days before the general meeting at which copies of those documents are to be laid.

CAPITALISATION OF PROFITS

- 171 the Board may with the authority of an ordinary resolution of the Company:-
- 171.1 subject as hereinafter provided, resolve to capitalise all or any part of the profits of the Company to which this Article applies;
- 171.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either:-
- 171.2.1 in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively; or
- 171.2.2 in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debenture credited as fully paid to those members, or as they may direct, in those proportions;
- or partly in one way and partly in the other;

- 171.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as it determines in the case of shares or debentures otherwise becoming distributable under this Article in fractions; and
- 171.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.
- 172 The profits of the Company to which Article 171 applies shall be any undivided profits of the Company not required for paying fixed dividends on any preference shares or other shares issued on special conditions and shall be deemed to include:-
- 172.1 any reserves arising from appreciation in capital assets or ascertained by valuation; and
- 172.2 any other amounts for the time being standing to any reserve or reserves including capital redemption reserve and share premium account;
- provided that to the extent required by the Acts:-
- 172.3 the Company shall not apply an unrealised profit in paying up debentures or any amounts unpaid on any of its issued shares; and
- 172.4 the only purpose to which sums standing to share premium account or capital redemption reserve shall be applied pursuant to Article 171 shall be the payment up in full of unissued shares to be allotted and distributed as aforesaid.

NOTICES

- 173 Any notice, document (including a share certificate) or information to be given pursuant to these Articles shall be in writing or by electronic /website communication except that a notice calling a meeting of the Board need not be in writing or in electronic form.
- 174 The Company may give any notice, document or information to a member either:
- 174.1 personally;
- 174.2 by sending it by post in a prepaid envelope addressed to the member at the member's address in the Register or by leaving it at that address;
- 174.3 subject to the member agreeing (generally or specifically) that the notice, document or information may be sent or supplied (or where otherwise the member is so deemed to have agreed by a provision of the CA 2006), by means of electronic communication to an address or other location (including any number) notified in writing by the member to the Company for the purposes of this Article;
- 174.4 subject to the provisions of the Statutes, by means of publication of the notice, or document or information on a web site or sites for the period required by the Statutes and the requirements in Article 175 are satisfied and the notification to the member (by means of electronic communication or

otherwise in accordance with this Article 174.4) of the fact of its publication, of the nature of the notice or document and of the address of the web site or sites concerned;

174.5 or by a relevant system,

provided that, in the case of the means of communication specified in Articles 174.3 (electronic communication), 174.4 (web site) and 174.5 (relevant system), (i) the Directors have resolved to communicate by such means either in relation to the particular communication concerned or in relation to communications generally or in relation to the particular class of communications which includes the particular communication concerned and (ii) the member has agreed (generally or specifically) with the Company to accept communication by such means either in relation to the particular communication concerned or in relation to communications generally or in relation to the particular class of communications which includes the particular communication concerned.

175 The requirements referred to in Article 174.4 are:

175.1 The member has agreed (generally or specifically) that the notice, document or information may be sent or supplied to the member by being made available on a website (and has not revoked that agreement), or the member has been asked by the Company to agree that the Company may send or supply notices, documents and information generally, or the notice, document or information in question, to the member by making it available on a website and the Company has not received a response within the period of twenty-eight days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);

175.2 The member is sent notification of the presence of the notice, document or information on a website, the address of that website, the place on that website where it may be accessed, and how it may be accessed ('notification of availability');

175.3 In the case of a notice of meeting, the notification of availability states that it concerns a notice of a company meeting, specifies the place, time and date of the meeting, and states whether it will be an annual general meeting;

175.4 The notice, document or information continues to be published on that website, in the case of a notice of the meeting, throughout the period beginning with a date of the notification of availability and ending with the conclusion of the meeting and in all the cases throughout the period specified by any applicable conclusion of the Acts, or, if no such period is specified, throughout the period of twenty-eight days beginning with the date on which the notification of availability is sent to the member, save that if the notice, document or information is made available for part only of that period then failure to make it available throughout that period shall be disregarded where such failure is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

176 A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive any notice, document or information from the Company except to the extent that the Company intends to give a notice, document or information using electronic communications and the member has consented to the giving or delivery of that notice, document or information by electronic communications

(or by being made available on a website) and the member has notified the Company of an address for that purpose.

- 177 In respect of joint holdings all notices, documents and information shall be given to the joint holder whose name stands first in the Register in respect of such joint holding, and notice so given shall be sufficient notice to all the joint holders. For that purpose, a joint holder having no registered address in the United Kingdom for the service of notices shall be disregarded except to the extent that the Company intends to give a notice, document or information using electronic communications or by being made available on a website and the joint holder has consented (binding upon all joint holders) to the giving or delivery of that notice, document or information by electronic communications or by being made on a website and the joint holder has notified the Company of an address for that purpose.
- 178 A member present, either in person or by proxy/proxies, at any meeting of the Company or of the holders of any class of shares in the Company (and, where such person is one of the joint holders of a share, all the joint holders) shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 179 A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show that person's title to the share, and upon supplying also an address within the United Kingdom for the service of notices (or, in relation to any notice, document or information which that person consents to receive and the Company intends to give or send using electronic communications, an address for that purpose), shall be entitled to have served upon or delivered to that person at such address any notice, document or information to which the member (but for the member's death or bankruptcy) would have been entitled, and that service or delivery shall for all purposes be deemed a sufficient service or delivery of that notice, document or information on all persons interested (whether jointly with or as claiming through or under them) in the share. Except as already provided, any notice, document or information delivered or sent by post to, left at or given using electronic communications(including website communication) to the address of any member in pursuance of these Articles shall, even if the member is then dead or bankrupt, and whether or not the Company has notice of the member's death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.
- 180 If the Company has suspended the despatch of cheques or warrants to any member or other person entitled thereto in accordance with the provisions of these Articles or, if on two consecutive occasions notices, documents or information have been sent through the post or by electronic/website communication to any member or other person entitled thereto at their registered / electronic address or address for service but have been returned undelivered, such member or other person entitled thereto shall not thereafter be entitled to receive notices, documents or information from the Company until they shall have communicated with the Company and supplied in writing or electronic form to the Transfer Office a new registered address or address within the United Kingdom for the service of notices, documents or information.
- 181 In relation to deemed service of a notice, document or information:

- 181.1 Where a notice, document or information is given or sent by post it shall be deemed to have been given or delivered on the day following the day on which it was posted unless it was sent by second class post in which case it shall be deemed to have been given on the second day after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice, document or information was properly addressed, prepaid and posted;
- 181.2 A notice, document or information given by advertisement shall be deemed to have been given or served on the day on which the advertisement appears;
- 181.3 Where a notice or other document is given or sent using electronic communications it shall be deemed to have been given or delivered:
- 181.3.1 at the expiration of twenty-four hours after it was sent. In proving such service it shall be sufficient to prove that the notice, document or information was sent in accordance with the ICSA Guidelines;
- 181.3.2 where that notice, document or information is in electronic format (such as CD-ROM or audiotape) and sent by post, on the day following the day on which it was posted unless it was sent by second class post in which case it shall be deemed to have been given on the second day after it was posted. In proving such service it shall be sufficient to prove that the letter containing the notice, document or information was properly addressed, prepaid and posted; or
- 181.3.3 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 these Articles, or if later, the date on which it is first made available on the website.
- 181.4 Where a notice, document or information to be given or sent using electronic communications has failed to be transmitted after two attempts made in accordance with the ICSA Guidelines then, that notice, document or information shall nevertheless be deemed to have been sent, that failure shall not invalidate any meeting or other proceeding to which the notice or document relates. As soon as practicable and in any event within forty-eight hours of the original attempt a duplicate of the relevant notice, document or information shall be sent through the post to the member to the member's last known address for the service of notices.
- 182 Without prejudice to the Article governing the accidental omission to give notice and to the presumption of service by post and the presumed date of service by post in the last preceding Article, it at any time, by reason of the suspension or curtailment of postal services within all or any part of the United Kingdom, the Company reasonably believes that a notice of a general meeting, if sent by post, is unlikely to be delivered within seven days of posting, the Company may at its sole discretion and either in addition to or in substitution for notice by post, convene a general meeting by a notice advertised in at least one national newspaper and such notice shall be deemed to have been duly served on all members and other persons entitled thereto on the day when the advertisement has appeared in at least one such newspaper. If in any such case notices have not been posted the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the delivery by post of notices to addresses throughout the United Kingdom again becomes practicable.

AUTHENTICATION OF DOCUMENTS

- 183 Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee of the Board, and any books, records, documents and accounts relating to the business of the Company and may certify copies thereof or extracts therefrom as true copies or extracts. Except in the case of manifest error a document which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith that the document is true and complete and in the case of a copy of a resolution or an extract from the minutes of the Board or any committee of the Board that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

- 184 It shall be presumed conclusively in favour of the Company that every entry on the Register purporting to have been made on the basis of an instrument of transfer or other document destroyed by the Company was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, and that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document mentioned in Article 184.1 below so destroyed was a valid and effective document in accordance with the recorded particulars of it in the books and records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid; provided always that:-
- 184.1 six years shall have elapsed since the date of registration of the relevant instrument of transfer of shares and two years shall have elapsed since the date of recording of the relevant dividend mandate or notification of change of name and address and one year shall have elapsed since the recorded date of payment of the relevant dividend cheque or cancellation of the relevant cancelled share certificate; and
- 184.2 the Company is not shown to have destroyed a document in bad faith or with actual notice of any claim (regardless of the parties) to which the document might be relevant.
- 185 The Company shall be entitled to destroy any such document after the relevant period referred to in Article 184.1 but nothing in these Articles shall be construed as imposing upon the Company any duty to retain any document for such period.
- 186 Reference in Articles 184 or 185 to the destruction of any document include references to its disposal in any manner.

WINDING UP

- 187 If the Company is wound up, the liquidator may, with the sanction of an special resolution of the Company and any other sanction required by the Acts, 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. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the

benefit of the member as the liquidator with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

- 188 On a return of capital on a winding up pursuant to Article 187, the assets of the Company available for distribution to members shall be distributed rateably amongst the holders of the ordinary shares according to the nominal value of their respective holdings of such shares.

DURATION OF THE COMPANY

- 189 At the annual general meeting of the Company held after the later of i) 31 March 2020 and ii) the fifth anniversary of the last allotment of shares (from time to time) in the Company and, if the Company has not then been wound-up or reconstructed or re-organised at each fifth annual general meeting of the Company thereafter, the Directors shall procure that an ordinary resolution will be proposed to the effect that the Company shall continue in being a venture capital trust. If at any such meeting such resolution is not passed the Board shall within six months of such meeting convene a General Meeting of the Company at which either or both of the following resolutions shall be proposed:-

- 189.1 a special resolution for the re-organisation or reconstruction of the company; or

- 189.2 a special resolution requiring the Company to be wound up voluntarily.

If neither of the special resolutions referred to in paragraphs 189.1 and 189.2 of this Article is passed, the Company shall continue as a venture capital trust.

INDEMNITY

- 190 Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all liabilities incurred by them:

- 190.1 in defending any proceedings (whether civil or criminal) in which judgement is given in their favour or they are acquitted; or

- 190.2 in connection with any application under section 1157 of the CA 2006 (general power to grant relief in case of honest and reasonable conduct) in which relief is granted to them by the court,

provided that this Article 190 shall only have effect insofar as its provisions are not void under Section 232, 234 or 235 of the CA 2006.

- 191 The Company may indemnify, out of the assets of the Company, any Director of the Company or of any associated company against all losses and liabilities which the Director may sustain or incur in the execution of the duties of the Director's office or otherwise in relation thereto, provided that no such indemnity shall extend to any liability incurred by such Director:

- 191.1 to the Company, or as the case may be, to the associated company of which the Director is a director; or

- 191.2 to pay a fine imposed in criminal proceedings or any such sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or

- 191.3 in defending any criminal proceedings in which the Director is convicted; or
- 191.4 in defending any civil proceedings brought by the Company or any associated company in which judgement is given against the Director; or
- 191.5 in connection with any application to the court for relief from liability under section 1157 of the CA 2006 or for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, or as the case may be, the associated company of which the Director is a director, which application is refused,
- where such conviction, judgement or refusal or relief has become final (within the meaning of the CA 2006)
- 192 Subject to Sections 205(2) to (4) of the CA 2006, the Company may provide a Director with funds to meet expenditure incurred or to be incurred by the Director in defending (or seeking relief in respect of) any civil or criminal proceedings brought or threatened against the Director in connection with any alleged negligence, default, breach of duty or breach of trust by the Director in relation to the Company or an associated company, and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under Sections 197 to 203 of the CA 2006 to enable a Director to avoid incurring such expenditure.
- 193 The Company may also provide a Director with funds to meet expenditure incurred or to be incurred by the Director on or after 1 October 2007 in defending themselves in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by the Director in relation to the Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under Section 197 of the CA 2006 to enable a Director to avoid incurring such expenditure.
- 194 For the purpose of Article 191 above, the expression “associated company” shall mean a company which is either a subsidiary or a holding company of the Company or a subsidiary of such holding company as such terms are defined by Section 1159 of the CA 2006.

POWER TO INSURE

- 195 Subject to the provisions of the Acts, 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 or Subsidiary Undertaking of the Company or in which the Company has an interest in whether direct or indirect 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 them or loss or expenditure which they 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.

WARRANTS OR OPTIONS TO SUBSCRIBE FOR SHARES

- 196 The Company may, subject to the provisions of the Acts and of these Articles, issue warrants or grant options to subscribe for shares in the Company. Such warrants or options shall be issued upon such terms and subject to such conditions as may be resolved upon the Board including, without prejudice to the generality of the foregoing, terms and conditions which provide that, on a winding up of the Company, a holder of warrants or grantee of options may be entitled to receive, out of the assets of the Company available in the liquidation *pari passu* with the holders of shares of the same class as the shares in respect of which the subscription rights conferred by the warrants or the options can be exercised, such a sum as they would have received had they exercised the subscription rights conferred by their warrants or options prior to the winding up but after deduction of the price (if any) payable on exercise of such subscription rights.

NOMINATION NOTICES

- 197 The Company may prescribe the form and content of Nomination Notices. Unless the Company prescribes otherwise, a Nomination Notice shall:
- 197.1 state the name and address of the person nominated;
- 197.2 confirm that the member holds shares in the Company on behalf of the person nominated pursuant to the Nomination Notice;
- 197.3 specify whether the person nominated wishes to receive Shareholder Information in hard copy form, in electronic form or by website communication and include any further information which the Company will need in order to use the means of communication specified;
- 197.4 indicate whether the Information Rights are to be enjoyed only by the person nominated, or whether the member giving the notice may also continue to enjoy them;
- 197.5 specify the date from which it is to take effect;
- 197.6 specify the date on which it is to cease to have effect, or that it is to have effect until further notice or until the member concerned transfers or ceases to hold any shares in the Company; and
- 197.7 be executed by or on behalf of the member and the person nominated.
- 198 Subject to these Articles, the Company shall give effect to any Nomination Notice received by it in accordance with these Articles but in accordance with Section 146(5) of the CA 2006 shall not be obliged to act on a nomination purporting to relate to certain Information Rights only.
- 199 A nomination made by Nomination Notice shall cease to have effect:
- 199.1 in accordance with its terms; or
- 199.2 in accordance with Sections 148(3), 148(5) or 148(7) of the CA 2006.
- 200 If the Company receives a document which purports to be a Nomination Notice but which does not contain the required information or which is not given in the form prescribed by the Company, the Company shall give effect to it in accordance with Section 147(5) of the CA 2006 to the extent that it is

able to do so and shall notify the member that it is incomplete (and in what respect it is incomplete) and that the Company cannot give full effect to it in its present form.

- 201 The Company shall:
 - 201.1 be entitled to treat a Nomination Notice as surviving a subdivision, consolidation or reclassification of the Company's share capital;
 - 201.2 shall keep a record of all Nomination Notices which are in force;
 - 201.3 shall provide any member, on request and without charge, with a copy of the records of Nomination Notices given by that member in so far as it is able to do so;
 - 201.4 may fix a record date for the enjoyment of Information Rights or for the circulation of Shareholder Information to persons nominated by Nomination Notices.
- 202 Anything to be carried out by the Company in Articles 197 and 198 may instead be carried out by the Company through its agents.