

THE COMPANIES ACT 2006

PUBLIC COMPANY

ARTICLES OF ASSOCIATION

OF

ANDREWS SYKES GROUP PLC

(Adopted by special resolution passed on 8 June 2010)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

appointor: has the meaning given in article 12.1;

Articles: means the company's articles of association for the time being in force;

Auditors: the auditors for the time being of the company;

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Conflict: has the meaning given in article 4.1;

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

Group: the company and its subsidiaries (within the meaning of section 1159 of the Act) for the time being;

Model Articles: means the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles; and

Stock Exchange: means AIM of the London Stock Exchange PLC or any successor.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 16, 21, 34, 35, 36, 37, 69, 80, 81 and 85 of the Model Articles shall not apply to the company.
- 1.9 Article 24 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.10 In article 49(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.11 Article 68 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 67(2)," after the words "the transmittee's name".

- 1.12 Articles 72(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

DECISION MAKING BY DIRECTORS

2. CASTING VOTE

- 2.1 In the case of an equality of votes, either on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll was demanded shall be entitled to a second or casting vote.
- 2.2 Article 2.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting).

3. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 3.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
 - (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
 - (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in

any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

- 3.2 If any question shall arise at any meeting of the directors as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other director 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.

4. DIRECTORS' CONFLICTS OF INTEREST

- 4.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

- 4.2 Any authorisation under this article 4 will be effective only if:

- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

- 4.3 Any authorisation of a Conflict under this article 4 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 4.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 4.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 4.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 4.7 Any director that holds additional directorships in other companies shall not be required to disclose confidential information of which he has become aware solely by reason of such additional directorship(s). Failure to disclose any such confidential information shall not be deemed a breach of directors' duties to the company under the Act or otherwise.
- 4.8 Where a director receives confidential information as a result of any additional directorship(s) which may directly or indirectly conflict with the interests of the company, he shall not be required to disclose the confidential information to the company or use it for the company's benefit provided that where the conflict arises the director notifies the directors of such conflict. Where the director has conflicting interests, the director shall not receive information of the company relating to the conflict or participate in board discussions where the conflict is relevant.

5. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

6. POWERS AND DUTIES OF DIRECTORS

6.1 The directors shall restrict the borrowings of the company and exercise all voting and other rights and powers of control exercisable by the company in respect of its subsidiaries so as to ensure (as regards its subsidiaries so far as by such exercise they can so ensure) that the aggregate amount for the time being outstanding in respect of the moneys borrowed or secured by the Group (exclusive of moneys owing by one member of the Group to another) shall not at any time, without the previous sanction of the company in general meeting exceed an amount equal to three times the Adjusted Capital and Reserves or £50,000,000 (whichever is the greater).

6.2 For the purposes of the Articles:

(a) “the Adjusted Capital and Reserves” means the aggregate from time to time of:

- (i) the amount paid up on the issued share capital of the company; and
- (ii) the amount standing to the credit of the consolidated capital and revenue reserves of the company and its subsidiaries (including any share premium account, capital redemption reserve, revaluation reserve and any credit balance on profit and loss account)

all as shown by the latest audited balance sheet but adjusted as follows:

- (i) excluding any sums set aside for taxation other than deferred taxation;
- (ii) making such adjustments as may be appropriate in respect of any variation in the amount of such paid-up share capital or any such capital and reserves subsequent to the relevant balance sheet date and so that for this purpose if any issue or proposed issue for shares by any member of the Group for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including the premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it becomes unconditional);
- (iii) making such adjustments as may be appropriate in respect for the purposes of or in connection with a transaction under or in

connection with which any company is to become or cease to be a subsidiary, as would be appropriate if such transaction had been carried into effect;

- (iv) excluding minority interests in subsidiaries;
- (v) after adding back amounts representing goodwill and other intangible assets and sums set aside for deferred taxation, and after adding back amounts representing goodwill and other intangible assets written off in accordance with the company's accounting policies after 31st March, 1988; and
- (vi) to give effect to such other adjustments, if any, as the Auditors consider appropriate.

Nevertheless for the purposes of this article the directors may at any time act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves and if in consequent the limit hereinbefore contained is inadvertently exceeded, an amount borrowed equal to the excess may be disregarded until the expiration of 122 days after the date on which by reason of a determination of the Auditors or otherwise the directors became aware that such a situation has or may have arisen.

- (b) "borrowings" and "moneys borrowed" include:
 - (i) loan capital of any description (whether issued for cash or in whole or in part for a consideration other than cash whether secured or unsecured), together with any fixed or minimum premium on final repayment;
 - (ii) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase price of goods in the ordinary course of trading) by the company or any subsidiary or by any bank or accepting house under any acceptance credit opened on behalf of the company or any subsidiary; and
 - (iii) the nominal amount of any issued share capital and the principal amount of any borrowing (together in each case with any fixed or minimum premium payable on final redemption or repayment) the redemption or repayment whereof is guaranteed by the company or any subsidiary.

but shall not include any prepayments;

- 6.3 Any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding and so applied within six months of the borrowing thereof shall not be taken into account as a borrowing for the purpose of the limit imposed by this article.

- 6.4 A certificate or report by the Auditors as to the amount of Adjusted Capital and Reserves or the amount of monies borrowed or secured or to the effect that the limit imposed by this article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this article.
- 6.5 Borrowed moneys of the company or its subsidiaries expended in or calculated by reference to a currency other than Sterling shall be translated into Sterling by reference to the rate of exchange for the conversion of such currency as at the date of the latest audited balance sheet of the company and each relevant subsidiary.
- 6.6 Moneys borrowed shall not include any moneys borrowed which are for the time being deposited with any governmental authority or body in any part of the world in connection with import deposits or any similar governmental scheme to the extent that the company or the relevant subsidiary making such deposit retains its interest therein.
- 6.7 Moneys borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credit Guarantee Department or any other institution or Organisation carrying on a similar business in any part of the world shall be deemed not to be moneys borrowed.
- 6.8 Moneys borrowed by a partly-owned subsidiary of the Group (after excluding any moneys borrowed owing between members of the Group) shall be deemed to be reduced by an amount proportionate to the minority proportion (namely the proportion of the issued equity share capital of such partly-owned subsidiary which is not for the time being beneficially owned within the Group) of such moneys borrowed. Moneys borrowed by a member of the Group from a partly-owned subsidiary of the Group which would fall to be excluded as being moneys borrowed and owing between members of the Group shall nevertheless be included to the extent of an amount equal to such minority proportion of such moneys borrowed.
- 6.9 The directors shall restrict the borrowings of the company and exercise all voting and other rights and powers of control exercisable by the company in respect of its subsidiaries so as to ensure (as regards its subsidiaries so far as by such exercise it can so ensure) that the limit imposed by this article is not exceeded.

7. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum and shall not be less than two.

8. APPOINTMENT OF DIRECTORS

- 8.1 In any case where, as a result of death or bankruptcy, the company has no member and no directors, the transmittee(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.
- 8.2 A director shall not be required to hold any qualification shares but shall be entitled to receive notice of, attend and speak at all general meetings of the company and of any class of members of the company.
- 8.3 Each of the directors shall be entitled to receive by way of remuneration for his services in each year such sum as the directors may determine not exceeding £100,000 or such other limit as shall from time to time be determined by the company in general meeting except that any director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only be entitled to a sum in proportion to the time during such period for which he has held office.
- 8.4 The directors shall also be entitled to be repaid all travelling hotel and other expenses necessarily incurred by them respectively in or about the performance of their duties as directors, including their expenses of travelling to and from directors meetings, committee meetings, or general meetings or otherwise incurred while engaged on the business of the company.
- 8.5 If by arrangement with the directors any director shall perform or render any special duties or services outside his ordinary duties as a director, the directors may approve the payment to him of special remuneration, in addition to any fees or ordinary remuneration, and such special remuneration may be by a lump sum or by way of salary, commission, participation in profits or otherwise as may be arranged, and shall be charged as part of the company's ordinary working expenses.

9. MANAGING DIRECTOR AND OTHER APPOINTMENTS

- 9.1 The directors may from time to time appoint any one or more of their number to the office of Managing Director and / or such other office in the management of the business of the company or place of profit under the company, except that the Auditors, as it may decide for such period (subject to the provisions of section 188 of the Act) and on such terms as it thinks fit, and may vest in such Managing Director or such other officer such of the powers hereby vested in the directors as they may think fit, and such powers may be made exercisable for such period or periods, and on such conditions and subject to such restrictions, and generally on such terms as to remuneration and otherwise, as the directors may determine. The remuneration of a Managing Director or such other officer may be made payable by way of salary or

commission or participation in profits, or by any or all of those modes, or otherwise as may be thought expedient and it may be made a term of his appointment that he shall receive a pension, gratuity or other benefit on his retirement.

9.2 A Managing Director or such other officer as is referred to in article 9.1 shall not, while he continues to hold such office, but subject to the terms of any contract of service between him and the company, be subject to retirement by rotation, and he shall not be taken into account in determining the rotation of retirement of directors, but in all other respects he shall be subject to the same provisions as to removal as the other directors of the company, and he shall (subject to the provisions of any contract between him and the company) ipso facto and immediately cease to be Managing Director or holder of such other office if he cease to hold the office of director for any cause.

10. RETIREMENT OF DIRECTORS BY ROTATION

10.1 At the annual general meeting of the company in every year one third of the directors for the time being (other than any directors not subject to retirement by rotation) or, if their number is not three or a multiple of three, then the number nearest to but (except when less than three directors are subject to retirement by rotation) not exceeding one third, shall retire from office. A director retiring at a meeting shall retain office until the close of the meeting or any adjournment thereof.

10.2 Unless and until otherwise determined by the company by ordinary resolution, either generally or in any particular case, no director shall vacate or be required to vacate his office as a director on or by reason of his attaining or having attained the age of seventy, 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 re-appointed or appointed, as the case may be as a director notwithstanding that at the time of such re-appointment or appointment he has attained the age of seventy and no special notice need be given of any resolution for the re-appointment or appointment or approving the appointment as a director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the members notice of the age of any director or person proposed to be re-appointed or appointed as such.

10.3 The directors to retire in every year shall be those who are subject to retirement by rotation and who have been longest in office since their last election; but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

10.4 A retiring director shall be eligible for re-election.

- 10.5 At the meeting at which a director retires pursuant to this article the company may fill the vacated office by electing a person thereto, and in default the retiring director shall if offering himself for re-election be deemed to have been re-elected except in any of the following cases:
- (a) at such meeting it is expressly resolved not to fill such vacated office or a resolution for the re-election of such director is put to the meeting and lost; or
 - (b) such director has given notice in writing to the company that he is unwilling to be re-elected; or
 - (c) such director has attained any statutory retirement age applicable to him as a director.
- 10.6 No person other than a director retiring at the meeting shall, unless recommended by the remaining directors, be eligible for election to the office of director at any general meeting unless not less than seven nor more than twenty one days before the date appointed for the meeting there shall have been left at the registered office of the company a notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.
- 10.7 Any director appointed to fill a casual vacancy or as an addition to the existing directors shall hold office only until the conclusion of the next following annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.
- 10.8 A person appointed to replace a director removed pursuant to section 168 of the Act or to fill such a vacancy shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

11. TERMINATION OF DIRECTOR'S APPOINTMENT

The office of a director shall be vacated:

- (a) if he absents himself from the meetings of the directors during a continuous period of six months without special leave of absence from the remaining directors, and the directors pass a resolution that he has by reason of such absence vacated his office; or
- (b) in the case of a director holding an executive office his tenure thereof is terminated or expires and the directors resolve that his office be vacated; or
- (c) he is requested in writing by all the other directors to resign.

But any act done in good faith by a director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the company or an entry shall have been made in the directors' minute book stating that such director has ceased to be a director of the company.

12. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

12.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

12.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

12.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

13. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

13.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

13.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

- 13.3 A person who is an alternate director but not a director:
- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
 - (c) shall not be counted as more than one director for the purposes of articles 13.3(a) and (b).
- 13.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).
- 13.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

14. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

15. SECRETARY

No person shall be appointed as the secretary of the company who is the sole director of the company.

16. AUDITORS

Subject to the provisions of the Act, all acts done by any person or persons acting as Auditors shall, as regards all persons dealing in good faith with the company, be valid, notwithstanding that there was some defect in their appointment or that they have at the time of their appointment not qualified for appointment.

DECISION MAKING BY MEMBERS

17. NOTICE OF GENERAL MEETINGS

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

18. ORGANISATION OF GENERAL MEETINGS

All business that is transacted at a general meeting shall be deemed special and all business that is transacted at an annual general meeting shall also be deemed special, with the exception of the declaration of a dividend, the consideration of the accounts and balance sheet and the reports of the directors and the auditors and any other documents required to be annexed to the balance sheet, the election of directors in place of those retiring, the re-appointment of the auditors retiring and the fixing of the remuneration of the directors and the auditors.

19. QUORUM FOR A GENERAL MEETING

- 19.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be not less than two members present in person or by proxy.
- 19.2 If within fifteen minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting if convened on the requisition of members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such time and place as the directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present in person or by proxy shall be a quorum.
- 19.3 The chairman (if any) of the directors shall preside at every general meeting of the company. If there be no such chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as chairman, the deputy chairman (if any) shall if present and willing to act preside at such meeting but if the chairman and deputy chairman shall not be

so present and willing to act the directors present shall choose one of their number to act, or if there be only one director present he shall be chairman if willing to act. If there be no director present and willing to act, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

VOTING AT GENERAL MEETINGS

20. VOTING

Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the directors may in their absolute discretion, on or subject to production of such evidence of the appointment as they may require, permit such receiver or other person to vote in person or by proxy on behalf of such member at any general meeting.

21. ERRORS AND DISPUTES

If : -

- (a) any objection is raised to the qualification of any voter; or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (c) any votes are not counted which ought to have been counted; or
- (d) an amendment proposed to a resolution under consideration is ruled out of order by the chairman of the meeting in error;

the objection or error shall not vitiate the decision of the meeting on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman of the meeting decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the chairman of the meeting on such matters shall be final and conclusive.

22. DEMANDING A POLL

22.1 At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by:

- (a) the chairman of the meeting; or

- (b) in writing by at least six persons entitled to vote at the meeting; or
 - (c) in writing by a member or members representing one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) in writing by a member or members holding shares conferring a right to vote at the member, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right.
- 22.2 Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously or without dissent or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

23. PROCEDURE ON A POLL

- 23.1 If a poll is demanded in any manner set out above, it shall (subject as provided in article 23.2) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman of the meeting shall direct. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 23.2 A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith.
- 23.3 The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business, other than the question on which a poll has been demanded. The demand for a poll may be withdrawn with the consent of the chairman 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.

24. PROXIES

- 24.1 Article 38(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

24.2 Article 38(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

SHARES AND DISTRIBUTIONS

25. RECORD DATES

Notwithstanding any other provision of these Articles the directors may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

26. ALTERATIONS OF CAPITAL AND PURCHASE OF SHARES

26.1 The company in general meeting may from time to time:

(a) by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares. On any consolidation of fully paid shares into shares of larger amount, the directors may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share and in the case of any share registered in the name of one holder or joint holders being consolidated with shares registered in the name of another holder or joint holders may make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for such purpose may appoint some person to transfer the consolidated share to the purchaser and arrange either for the distribution among the persons entitled thereto of the net proceeds of such sale after deduction of the expenses of sale or (when such net proceeds in respect of any holding do not exceed £2) for the payment of such net proceeds to the company, provided that the necessary unissued shares are available the directors may alternatively in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holdings to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at its discretion from any of the sums standing to the credit of any of the company's reserve accounts (including shares

premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares;

- (ii) cancel any 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; and
- (iii) sub-divide its shares or any of them into shares of a smaller amount, subject nevertheless to the provisions of the Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with, the others as the company has power to attach to unissued or new shares;

- (b) by special resolution reduce its share capital or any capital redemption reserve or share premium account in any manner authorised and subject to any conditions prescribed by the Act.

26.2 Subject to the provisions of the Act the company may purchase its own shares (including any redeemable shares) provided that if, prior to such purchase there are convertible shares of the company no such purchase shall be made and (where the Act requires the contract for the purchase to be approved by a special resolution) no contract relating to any such purchase shall be entered into unless:

- (a) it has received the consent in writing of the holders of not less than three-quarters in nominal value of any class of convertible shares other than those which are convertible into shares which as respects dividend and capital carry a right to participate only up to a specified amount in a distribution; or
- (b) it has been sanctioned by a special resolution passed at a separate general meeting of the holders of such convertible shares held in accordance with these Articles.

27. MODIFICATION OF CLASS RIGHTS

27.1 All or any of the rights or privileges for the time being attached to any share or class of shares in the capital of the company (and notwithstanding that the company may be or be about to be in liquidation) may (subject to the provisions of section 633 of the Act) be varied or abrogated (i) in such manner (if any) as may be provided by such rights, or (ii) in the absence of any such provision, either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of the class, or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class held in accordance with these Articles. All the provisions contained in these Articles as to general meetings shall

mutatis mutandis apply to every such meeting, but so that the quorum at such meeting shall be at least one person holding or representing by proxy one third of the nominal amount paid up on the issued shares of that class, and that any holder of shares of the class, present in person or by proxy, may demand a poll and shall on a poll be entitled to one vote for every share of the class held by him, and if at any adjourned meeting of such holders such quorum as aforesaid is not present any one holder of shares of the class present in person or by proxy shall be a quorum. The directors shall comply with the provisions of section 30 of the Act as to forwarding a copy of any such consent or resolution to the Registrar of Companies.

- 27.2 Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the company shall be deemed to be varied or abrogated by the reduction of the capital paid up on such shares or by the allotment of further shares ranking in priority thereto for payment of a dividend or repayment of capital but shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued.

28. SHARE CERTIFICATES

- 28.1 If and so long as all the issued shares in the capital of the company or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes, then none of those shares shall bear a distinguishing number. In all other cases (other than where shares rank *pari passu* for all purposes other than in respect of payment of a particular dividend) each share shall bear a distinguishing number.
- 28.2 On the case of joint holders the company shall not be bound to issue more than one certificate to all the joint holders, and delivery of such certificate to any one of them shall be sufficient delivery to all.

29. REPLACEMENT CERTIFICATES

In the case of shares held jointly by several persons any request for a replacement certificate under article 49 of the Model Articles may be made by any one of the joint holders.

30. DISTRIBUTIONS

- 30.1 If two or more persons are registered as joint holders of any share any one of such persons may give effective receipts for any dividends or other moneys payable in respect of such share, but such power shall not apply to the legal personal representatives of a deceased member.

30.2 The directors may, before recommending any dividend (whether preferential or otherwise) set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall (subject to the Act) at the discretion of the directors, be applicable for meeting claims on or liabilities of the company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the company may be properly 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 as the directors may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the company. The directors may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

31. CAPITALISATION OF RESERVES

31.1 Subject to approval by the company in general meeting and subject as hereinafter provided, the directors may at their discretion resolve (at the same time as it resolves to recommend or to pay any dividend in respect of shares in the capital of the company) that the holders of such fully paid shares will have the option to elect to receive in lieu of such dividend (or, part thereof) an allotment of additional shares in the capital of the company credited as fully paid provided that:-

- (a) the approval by the company in general meeting may only be given in respect of a specified dividend or of any dividends declared or to be declared or paid in respect of a specified financial year
- (b) the number of shares to be allotted in lieu of any amount of dividend as aforesaid shall be determined by the directors so that the value of such shares shall equal (as nearly as may be without exceeding) such amount and for this purpose the value of a share shall be deemed to be the average of the middle market quotations of such shares as shown in the Daily Official List of The Stock Exchange (adjusted as below) on the ex-dividend date and on the next four business days and each such middle market quotation shall be adjusted by deducting therefrom the cash amount of such dividend per share except in the case of any "ex-dividend" quotation
- (c) the directors after determining the number of shares to be allotted as aforesaid shall give notice in writing to the members of the option to elect accorded to them and shall send with such notice forms of election which specify the procedure to be followed and the place at which duly completed forms of election must be lodged in order to be effective
- (d) following the receipt of a notice or notices of election pursuant to article 31.1(c) the directors shall allot to the holders of those shares in respect of which the share election has been or is duly exercised in lieu of the dividend (or that part of the dividend in respect of which the right of election has been accorded) such number of additional shares determined as aforesaid and for such purpose the directors shall appropriate and capitalise out of any

reserve or fund which is available for distribution (including any share premium account or capital redemption reserve or profit and loss account) as they shall determine an amount equal to the aggregate nominal amount of the additional shares so to be allotted and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the members who have given notices of election as aforesaid, such additional shares to rank pari passu in all respects with the fully paid shares then in issue save only as regards participation in the relevant dividend; provided that the directors may pay a cash dividend notwithstanding receipt of notices of election as aforesaid if they determine in their absolute discretion that the market price of the company's shares has varied in such a manner between the ex-dividend date and the date on which notices of election are to be effective as to render receipt of shares in lieu of dividend by the members making such election disadvantageous to such members.

- 31.2 Whenever such a capitalisation as aforesaid shall have been resolved upon the directors shall make all appropriations and applications of the reserves or undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid up shares or securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit including the right of the company to retain amounts the cost of apportionment of which would be disproportionate to the amounts involved in the case of shares or securities becoming distributable in fractions and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation and (as the case may require) for the payment up by the company on their behalf by the application thereto of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all such members.

32. PARTLY PAID SHARES

- 32.1 A call on shares under article 54 of the Model Articles shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed.
- 32.2 The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due on his shares beyond the sums actually called up thereon, and on the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called upon the shares in respect of which such advance has been made, the directors may pay or allow such interest as may

be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up: Provided that no dividend shall be payable on so much of the moneys paid up on a share as exceeds the amount for the time being called up thereon. The directors may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the share in respect of which it was advanced.

TRANSFER AND TRANSMISSION OF SHARES

33. TRANSFER OF SHARES

33.1 The directors may at any time after the allotment of any share but before any person has been entered in the register of members as the holder thereof recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the directors may think fit to impose.

33.2 Notwithstanding any other provision of these Articles, title to any securities of the company may be evidenced or transferred without a written instrument in accordance with the Uncertificated Securities Regulations 2001 or any amendment modification or re-enactment thereof, or any further regulations made under the Act. The directors shall have power to adopt and implement any arrangements they may think fit for such evidencing and transfer of title which accord with those regulations and in the event of any inconsistency between these Articles and any provision of such regulations, the latter shall prevail. References in these Articles to certificate for shares and instruments for transfer shall be construed accordingly.

33.3 The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods as the directors may from time to time determine: Provided that such registration shall not be suspended for more than thirty days in any year.

34. TRANSMISSION OF SHARES

A person entitled to a share by death bankruptcy or mental disorder by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices, of or to attend or vote at meetings of the company, or, save as aforesaid, to execute any of the rights or privileges of a member unless and until he shall become a member in respect of the share. The directors 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 60 days the directors 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.

35. DISENFRANCHISEMENT OF SHARES

If:-

- (a) the company gives a notice under section 793 of the Act to any member requiring him to give the company information with respect to any interest in shares in the company held by him and he either fails to give any information so required within the time specified in the notice or gives information which in the absolute discretion of the directors is false or misleading in any material particular; or
- (b) the member to whom the notice is given informs the company that some other person is interested in any of the shares and the company gives a further notice under that section to that person or to any other person who the company knows or has reasonable cause to believe to be interested in any of the shares and at the same time gives a copy of that notice to the members, and the person to whom that further notice is given fails to give any information so required within the time specified in that notice or gives information which in the absolute discretion of the directors is false or misleading as aforesaid;

the member, so long as the default continues, shall not (unless the directors otherwise determine) be entitled in respect of the shares to which the default relates to vote at any general meeting or at any separate meeting of the holders of any class of shares or to exercise any other right conferred by those shares in relation to any such meeting: Provided that no disenfranchisement under this article shall apply in relation to a meeting held less than twenty-eight days after the giving of the notice in respect of which the default arises.

36. UNTRACED MEMBERS

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

- (a) for a period of twelve years no cheque or warrant sent by the company through the post in a pre-paid letter addressed to the member or to the person entitled by transmission to the share or stock at his address on the register of members, or other last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent, has been cashed; at least three dividends in respect of the shares in question have become payable during such period and no dividend has been claimed, and so far as the directors are aware having made all due

enquiry during such period no communication has been received by the company from the member or the person entitled by transmission; and

- (b) the company has at the expiration of the said period of twelve years by advertisement in two national daily newspapers and in a newspaper circulating in the area in which the address referred to in article 36.1(a) is located given notice of its intention to sell such share or stock; and
- (c) the company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and
- (d) The company has first given notice in writing to the Quotation Department of The Stock Exchange of its intention to sell such shares.

36.2 To give effect to any sale pursuant to article 36.1 the directors may appoint any person to execute as transferor an instrument of transfer of such share or stock and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share or stock. The company shall account to the member or other person entitled to such share or stock for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him in respect of the same. Any moneys not accounted for to the member or other person entitled to such share or stock shall be carried to a separate account and shall be a permanent non-interest bearing debt of the company. Moneys carried to such separate account may either be employed in the business of the company or invested in such investments (other than shares of the company or its holding company if any) as the directors may from time to time think fit.

ADMINISTRATIVE ARRANGEMENTS

37. MEANS OF COMMUNICATION TO BE USED

37.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;

- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

37.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

38. INDEMNITY

38.1 Subject to article 38.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and

- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 38.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

38.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

38.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).