

**INCORPORATED UNDER THE COMPANIES (GUERNSEY) LAWS 1994 TO 1996 AS
AMENDED**

ORGANISED UNDER THE COMPANIES (GUERNSEY) LAW 2008 AS AMENDED

COMPANY LIMITED BY SHARES

MEMORANDUM

and

ARTICLES OF INCORPORATION

of

GLI FINANCE LIMITED

Registered the 9th day of June 2005

Amended by Special Resolution on 29th July 2005

Name changed by Special Resolution on 16th October 2009

Memorandum of Incorporation amended by Special Resolution passed on 30 April 2013

Articles of Incorporation adopted by Special Resolution passed on 30 April 2013

Articles of Incorporation adopted by Special Resolution passed on 12 December 2014

Articles of Incorporation adopted by Special Resolution passed on 8 November 2019

**INCORPORATED UNDER THE COMPANIES (GUERNSEY) LAWS 1994 TO 1996 AS
AMENDED**

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COMPANY LIMITED BY SHARES

MEMORANDUM OF INCORPORATION

of

GLI FINANCE LIMITED

- 1.** The name of the Company is GLI FINANCE LIMITED.
- 2.** The Company's registered office is to be situated in Guernsey.
- 3.** The objects and powers of the Company are not restricted.
- 4.** The liability of each Member is limited to the amount (if any) for the time being unpaid on the shares held by him.
- 5.** The Company is a non-cellular company.

We, the several persons whose names addresses and descriptions are hereunto subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Incorporation and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Shares
--------------------------------------------------	--------

Dated this _____ day of _____

WITNESS to the above signatures:-

**THE COMPANIES (GUERNSEY) LAW, 2008
as amended**

COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

GLI FINANCE LIMITED

Registered on 9th June 2005

(Adopted by special resolution passed on 8 November 2019)

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THE COMPANIES (GUERNSEY) LAW, 2008

COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

GLI FINANCE LIMITED

(Adopted by special resolution passed on 8 November 2019)

1 STANDARD ARTICLES

The standard articles prescribed pursuant to Section 16(2) of the Law shall be excluded in their entirety.

2 INTERPRETATION

In these Articles the following words shall bear the following meanings if not inconsistent with the subject or context:-

Words	Meanings
2006 Act	the Companies Act 2006 of the United Kingdom as may be amended from time to time and any successor act thereto.
A Cover	has the meaning given to it in Articles 7.5 and 7.6.
accounts	either individual accounts prepared in accordance with Section 243 of the Law or consolidated accounts prepared in accordance with Section 244 of the Law.
Action	has the meaning given to it in Article 7.5.
Articles	these Articles of Incorporation as now framed and at any time altered.
at any time	at any time or times and includes for the time being and from time to time.
Auditors	the auditors, if any, engaged in accordance with the Law and these Articles.
B Cover	has the meaning given to it in Articles 7.5 and 7.6.
Board	the Directors at any time or the Directors present at a duly convened meeting at which a quorum is present.
Calculation Date	has the meaning given to it in Article 7.5.

Certificated	in relation to any share or other security of the Company, that it is not held or to be held in uncertificated form.
clear days	in relation to the period of notice, that period excluding the day when notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
Connected Person	<ul style="list-style-type: none"> (a) a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of a Member; or (b) an associated body corporate which is a company in which a Member alone, or with Connected Persons, is directly or indirectly beneficially interested in 20 per cent. or more of the nominal value of the equity share capital or is entitled (alone or with Connected Persons) to exercise or control the exercise of more than 20 per cent. of the voting power at general meetings; or (c) a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Member or persons falling within paragraphs (a) or (b) above excluding trustees of an employees' share scheme or pension scheme; or (d) a partner (acting in that capacity) of the Member or persons in categories (a) to (c) above.
Cover Test	has the meaning given to it in Article 7.5.
CREST Guernsey Requirements	Rule 8 and such other of the rules and requirements of EUI as may be applicable to issuers as from time to time specified in the CREST Manual.
CREST Manual	the document entitled "CREST Reference Manual" issued by EUI.
CREST Rules	the Rules from time to time issued by EUI governing the admission of securities to and the operation of the CREST UK system.
CREST UK system	the facilities and procedures for time being of the Relevant System of which EUI has been approved as Operator pursuant to the Regulations.
dematerialised instruction	an instruction sent or received by means of the CREST UK system.
Director	a director of the Company and includes an alternate Director.
dividend	has the meaning given in the Law.

DTR 5	Chapter 5 of the Disclosure and Transparency Rules published by the FCA (as amended from time to time).
ERISA	United States Employee Retirement Income Security Act of 1974 as amended.
EUI	Euroclear UK and Ireland Limited, the operator for the time being of the CREST UK system.
Exchange Act	the US Securities Exchange Act of 1934, as amended.
executors	includes administrators.
FCA	the UK Financial Conduct Authority and any successor entity thereof.
FCA Handbook	the FCA's Handbook of Rules and Guidance as amended from time to time.
Final Capital Entitlement	141.152 pence per ZDP Share.
financial year	<p>(a) firstly, the period beginning on the date on which the Company was incorporated and ending within eighteen months of that date; and</p> <p>(b) thereafter, the period beginning on the day after its previous financial year ended and ending within eighteen (18) months of that date;</p> <p>as determined from time to time by the Board.</p>
incapable or of unsound mind	a Member in respect of whom an order has been made by any court or official having jurisdiction (whether in Guernsey or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs.
Investment Company Act	the US Investment Company Act of 1940.
Investment Manager	any manager or investment adviser, as the case may be from time to time of the Company's investments.
Issue Date	the date on which the ZDP Shares are first issued.
Law	the Companies (Guernsey) Law, 2008 as amended extended or replaced and any Ordinance, statutory instrument or regulation made thereunder.
Liquidator	includes joint liquidators.
London Stock Exchange	London Stock Exchange plc.
Maturity Date	5 December 2020.

Member	a registered holder of a share in the capital of the Company.
Memorandum	the memorandum of incorporation of the Company.
Month	calendar month.
Office	the registered office at any time of the Company.
Operator	a person approved under the Regulations as operator of a Relevant System.
ordinary resolution	a resolution passed by a simple majority in accordance with Section 176 of the Law.
Ordinary Shares	ordinary shares of no par value each in the capital of the Company issued and designated as ordinary shares and having the rights described in these Articles.
Plan	has the meaning given to it in Article 18.
Probate	includes Letters of Administration.
Prohibited US Person	has the meaning given to it in Article 18.
Proxy	includes attorney.
Recommended Resolution	has the meaning given to it in Article 7.7.
Reconstruction Resolution	has the meaning given to it in Article 7.8.
Register	the register of members kept pursuant to the Law.
Regulations	the Uncertificated Securities Regulations 2001 of the United Kingdom or the Uncertificated Securities (Enabling Provisions) (Guernsey) Law, 2005, in each case including any modification or re-enactment thereof and any subordinate legislation or rules made under them for the time being in force.
Regulation S	the rules and regulations under Regulation S, as promulgated by the US Securities and Exchange Commission under the Securities Act.
Relevant System	a relevant system as defined in the Regulations.
Scrip Dividend	has the meaning given to it in Article 44.
Seal	the common seal of the Company.
Secretary	any person designated by the Board as such.
Securities Act	the US Securities Act of 1933, as amended.
share	a share of any class in the Company, as well as any fraction of a share.
special resolution	a resolution passed by a majority of not less than 75 per cent. in accordance with Section

178 of the Law.

Sponsor	a company, person or firm admitted by EUI to act as Sponsor under the CREST Rules.
Uncertificated	a unit of a Guernsey security title to which is recorded on the relevant register of securities as being held in uncertificated form, and title to which may be transferred by means of the CREST UK system.
US	the United States of America, its territories and possessions, any state of the United States and the District of Colombia.
US Internal Revenue Code	the US Internal Revenue Code of 1986, as amended.
US Person	a person who is either (a) a "US person" within the meaning of Regulation S, or (b) not a "Non-United States person" within the meaning of the United States Commodity Futures Trading Commission Rule 4.7(a)(I)(iv).
unanimous resolution	a resolution agreed to by every Member of the Company in accordance with Section 180 of the Law.
waiver resolution	a resolution passed by a majority of not less than 90 per cent. in accordance with Section 179 of the Law.
ZDP Shares	the redeemable zero dividend preference shares of no par value each in the capital of the Company.
ZDP Shareholder	a holder of ZDP Shares.

Any reference to a **share** of the Company shall, where the Board has resolved to allot and issue fractions of shares, include such fractions.

The singular includes the plural and vice versa.

The masculine includes the feminine.

Words importing persons include corporations.

Expressions referring to writing include any legible mode of representing or reproducing words.

Subject to the above, any words defined in the Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

In the event of any conflict between these Articles and the mandatory provisions of the Law, the latter shall prevail.

Where a Section of the Law is referred to and that Section is amended or renumbered or supplemented, then the reference shall be deemed to refer to the same Section as amended, renumbered or supplemented.

3 **AMENDMENTS**

The Company's Memorandum and Articles of Incorporation may be amended in accordance

with Part IV of the Law.

4 **BUSINESS**

Any branch or kind of business which, by the Memorandum or by these Articles, is, either expressly or impliedly, authorised to be undertaken may be undertaken or suspended at any time by the Board.

5 **SHARE CAPITAL**

5.1 The Company may issue an unlimited number of shares.

5.2 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share (or option, warrant or other right in respect of a share) in the Company may be issued with such preferred, deferred or other special rights or restrictions, whether as to dividend, voting, return of capital or otherwise, as the Board may determine.

5.3 To the extent required by Sections 292 of the Law, the Board is authorised to issue an unlimited number of shares (or options, warrants or other rights in respect of shares) which authority shall expire five (5) years after the date of adoption of these Articles; in the event that the restrictions in Section 292(3)(a) and/or (b)(i) are amended or removed, such authority shall be to the extent and for as long as is legally permissible. This authority may be further extended in accordance with the provisions of the Law.

6 **ISSUE OF SHARES**

6.1 Subject to the authority conferred by Article 5 or any extension thereof and to Article 8, the unissued shares shall be at the disposal of the Board which may allot, grant options, warrants or other rights over or otherwise dispose of them to such persons on such terms and conditions and at such times as the Board determines but so that no share shall be issued at a discount except in accordance with the Law and so that the amount payable on application on each share shall be fixed by the Board.

6.2 Subject to the provisions of the Law and these Articles:-

6.2.1 any shares may with the sanction of the Board be issued on terms that they are, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner as the Board may determine;

6.2.2 the Company and any of its subsidiary companies may, at the discretion of the Board, give financial assistance directly or indirectly for the purpose of or in connection with the acquisition of shares in the Company or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company;

6.2.3 fractions of shares may be issued or purchased by the Company; and

6.2.4 the Company may issue shares of no par value or shares with a par value or a combination of both.

7 **ZDP SHARES**

7.1 The ZDP Shares carry no rights to receive dividends out of the revenue or any other profits of the Company.

7.2 The assets of the Company available for distribution to Members after payment of all of the Company's liabilities in full will be applied as follows (and in each case distributed among the holders of shares of each class rateably according to amounts paid up on such shares held by them):

7.2.1 first, there shall be paid to the holders of ZDP Shares an amount equal to

100 pence per ZDP Share as increased each day from the Issue Date up to and including 5 December 2019 at the daily compound rate which results in 130.696 pence per ZDP Share on 5 December 2019 and as further increased each day from 6 December 2019 up to and including the Maturity Date at the daily compound rate which results in the Final Capital Entitlement per ZDP Share on the Maturity Date, and increasing thereafter (in the event that any ZDP Shares are not redeemed by the Maturity Date) on the same compounded basis in respect of any ZDP Shares not so redeemed; and

- 7.2.2 second, subject to the terms of the Articles, there shall be paid to the holders of Ordinary Shares in proportion to their holdings the surplus assets of the Company available for distribution.
- 7.3 The holders of the ZDP Shares shall have the right to receive notice of general meetings of the Company but shall not have the right to attend or vote at any general meeting of the Company unless the business of the meeting includes any resolution to vary, modify or abrogate any of the special rights attached to the ZDP Shares and at any meeting where any such business is to be considered such holders shall be entitled to vote in relation to such business alone.
- 7.4 Where by virtue of the provisions of Article 7.3 above the holders of the ZDP Shares are entitled to vote, every such holder present in person or by a duly authorised representative (if a corporation) at a meeting shall, in relation to such business, have one vote in respect of every ZDP Share held by him.
- 7.5 Subject to Articles 7.7 and 7.8 below, the Company shall not without the previous sanction of a resolution of the holders of the ZDP Shares passed at a separate class meeting of such holders convened and held in accordance with the provisions of the Articles:
 - 7.5.1 pay dividends to holders of Ordinary Shares in excess of the aggregate of 5 pence per Ordinary Share per annum increased at the rate of 2.5 per cent. per annum;
 - 7.5.2 issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify issued share capital into shares or securities of a particular class where such shares or securities would on issue, conversion, exchange or reclassification rank as to capital in priority to or pari passu with the ZDP Shares, unless in respect of such issue, conversion, exchange or reclassification (a) the Cover Test would be met immediately following any such issue, conversion, exchange or reclassification; or (b) A Cover and B Cover is otherwise increased as a result of and upon such issue, conversion, exchange or reclassification;
 - 7.5.3 pass a resolution releasing the Directors from their obligation to redeem the ZDP Shares on the Maturity Date in accordance with Article 7.10 below;
 - 7.5.4 other than the redemption of the ZDP Shares provided for in Article 7.10 below, pass a resolution to reduce the capital of the Company in any manner, including any resolution authorising the Directors to purchase shares save that the Company may without such sanction take authority to make, and effect purchases of its own shares provided that in any event, (i) the Cover Test would be met immediately following any such purchase; or (ii) A Cover and B Cover is otherwise increased immediately following any such purchase;
 - 7.5.5 incur any borrowings in excess of £30 million (excluding any interest on any such borrowings and excluding Relevant Items being monies borrowed for temporary purposes only and in the ordinary course of business including, without limitation, for the purpose of refinancing existing borrowings or settling transactions and any monies borrowed for the

purpose of paying the Final Capital Entitlement or then accrued entitlement of the ZDP Shares) or guarantee the indebtedness of any of its subsidiaries;

- 7.5.6 make any material change to the accounting policies adopted by the Directors which are in existence as at the Issue Date;
 - 7.5.7 pass a resolution for the voluntary winding up or liquidation of the Company, such winding up to take effect prior to the Maturity Date;
 - 7.5.8 make a material change to the business of the Company as a whole, which at the time of making such change, appears likely in the reasonable opinion of the Directors to be materially prejudicial to the holders of the ZDP Shares; or
 - 7.5.9 pass any resolution to vary, modify or abrogate any of the special rights attached to the ZDP Shares.
- 7.6 For the purposes of Article 7.5 above, the "**Cover Test**" is that the Directors shall have or shall have caused to be calculated that, in their opinion, were the actions detailed in Article 7.5.2 or Article 7.5.4 above (each an "**Action**") to take place on the date specified by the Directors for such calculation, provided that such date shall not be one which is over 60 days prior to the date on which the relevant Action is due to take place (the "**Calculation Date**"), those ZDP Shares in issue immediately thereafter would have A Cover of not less than 1.7 times and B Cover of not less than 3.25 times (as adjusted in accordance with the provisions below). For the purpose of this Article 7.6:
- 7.6.1 the "**A Cover**" on the ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or pari passu therewith) on the Maturity Date, plus the Company's borrowings (if any) plus, to the extent not included in the current liabilities referred to above, the Directors' estimate of the shortfall (if any) of the Group's revenues less operational expenses (including dividends payable on the Company's Ordinary Shares, finance costs and management expenses), excluding any fair value adjustments over the period from the Calculation Date to the Maturity Date; and
 - 7.6.2 the "**B Cover**" on the ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) and all borrowings (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or pari passu therewith) on the Maturity Date provided always, that the B Cover of 3.25 times shall be adjusted downwards when and to the extent that the amount of the Company's borrowings (excluding any interest on any such borrowings and excluding Relevant Items) is less than £30 million and in such event the amount of cover shall be reduced from 3.25 times by "**X**" where:

$$X = 0.00000008 \times Y; \text{ and}$$

$$Y = \text{the amount of the Company's borrowings (as referred to above) below } \pounds 30 \text{ million,}$$

so that, by way of illustration, if the amount of the Company's borrowings (as referred to above) is £28 million as at the relevant Calculation Date the B Cover amount shall be 3.09 times.

7.6.3 In calculating such A Cover and B Cover, the Directors shall:

- (a) use the portfolio valuations underlying the net assets value figure published by the Company at the end of the immediately preceding quarter (or on such other date as the Board in its absolute discretion may determine);
- (b) assume that the Action had been undertaken at the end of the month prior to the Calculation Date (or on such other date as the Board in its absolute discretion may determine);
- (c) adjust the aggregate net assets at the end of the said month (or on such other date as the Board in its absolute discretion may determine) by adding the minimum net consideration (if any) which would be received upon such Action and by deducting any consideration payable on such Action;
- (d) aggregate the capital entitlements of the existing ZDP Shares and the capital entitlements of any new ZDP Shares to be issued or reclassified as aforesaid, in each case as at the Calculation Date;
- (e) disregard any reduction in gross assets caused by the accounting for shares held in treasury held by the Company to the extent it is not matched by a corresponding adjustment to the calculation of the denominator; and
- (f) make such other adjustments as they in their absolute discretion consider appropriate.

7.7 Notwithstanding Articles 7.3, 7.4 and 7.5 above, if any offer is made (whether by the Company or any other person, including proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the relevant class or any shares issued in substitution therefor) to all the holders of ZDP Shares, (other than the offeror and/or persons acting in concert with the offeror) which becomes or is declared unconditional in all respects (or would so become or be declared subject only to the passing of any Recommended Resolution (as defined below)) prior to the Maturity Date, and which enables the holders of the ZDP Shares to receive no later than the Maturity Date an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the ZDP Shareholders would otherwise have been entitled on a redemption of their ZDP Shares or on a winding-up of the Company in each case on the Maturity Date (whether or not such offer is accepted in any particular case and ignoring any option to receive alternative consideration) and such offer is recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of Article 7.9 below shall apply to the holders of ZDP Shares in relation to any resolution or resolutions (a "**Recommended Resolution**") proposed at any general meeting of the Company or at any separate meeting of the holders of ZDP Shares save that the provisions of Article 7.9 below shall cease as regards such shareholders if either the Directors consider that the aforementioned offer is unlikely to be honoured or the offeror breaches a material term of the offer or otherwise manifests an intention not to implement the offer.

7.8 Notwithstanding Articles 7.3, 7.4 and 7.5 above, if at any time on or before the Maturity Date a resolution (a "**Reconstruction Resolution**") is proposed at any general meeting of the Company or at any separate meeting of any class(es) of shareholders to sanction any form of arrangement for the transfer of all or part of the Company's assets to another entity or any proposals for the reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of any shares (including, without

limitation, any further resolutions which the Directors consider to be necessary or desirable for the purposes of effecting such proposals) and which enables the holders of the ZDP Shares to receive, no later than the Maturity Date, an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the ZDP Shareholders would otherwise have been entitled on a redemption of their ZDP Shares or on a winding-up of the Company in each case on the Maturity Date then (ignoring any option to receive their entitlements otherwise than in cash), provided such proposals are recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of Article 7.9 below shall apply to the holders of the ZDP Shares in relation to such resolution(s), save that such provisions shall cease as regards such shareholders if the arrangement is not implemented in accordance with its terms.

- 7.9 Where this Article 7.9 applies in respect of any resolution, the ZDP Shareholders shall not be entitled to vote at any general meeting of the Company and the previous sanction of a special resolution of the ZDP Shareholders shall not be required in any case, provided that where, notwithstanding the foregoing, such sanction is required in any case by law, all ZDP Shareholders present in person, by representative (if a corporation) or by proxy and entitled to vote at such meeting shall (in respect of the votes attached to all such shares) vote in favour of the resolution or resolutions recommended by the Directors and where any vote is not cast or is cast against any such resolution or resolutions recommended by the Directors it shall be deemed to have been cast in favour. The vote on any Recommended Resolution or Reconstruction Resolution shall be taken on a poll.
- 7.10 Unless the Directors have previously been released from their obligations to do so by a special resolution of the Company (such special resolution having been duly passed not earlier than the date falling one month prior to the Maturity Date and having been sanctioned by necessary class approval), the Company shall on the Maturity Date, compulsorily redeem all ZDP Shares in issue at an amount equal to the Final Capital Entitlement per ZDP Share.
- 7.11 In the event that, on the Maturity Date, the Company is not permitted to redeem any of the ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem the ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then unredeemed ZDP Shares, and the ZDP Shares to be redeemed in such circumstances shall be selected pro rata to the holdings due to be redeemed at such time).
- 7.12 In the event that, on the Maturity Date, the Company is permitted to redeem some only of the ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem such ZDP Shares at such time and shall redeem the remaining ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then unredeemed ZDP Shares). The ZDP Shares to be redeemed in such circumstances shall be selected pro rata to the holdings due to be redeemed at such time.
- 7.13 During such time after the Maturity Date when any of the ZDP Shares remains unredeemed, the Company shall not declare, make or otherwise pay any distributions (whether by way of dividend, redemption, repurchase of shares, reduction of capital or otherwise) to any of the holders of the Ordinary Shares.

8 OFFERS TO SHAREHOLDERS TO BE ON A PRE-EMPTIVE BASIS

8.1 In this Article 8:

8.1.1 **employees' share scheme** means any scheme or arrangement for encouraging or facilitating the holding of shares in or debentures of the Company by or for the benefit of:

- (a) any one or more bona fide employees or former employees of:
 - (i) the Company;
 - (ii) any subsidiary of the Company; or
 - (iii) the Company's holding company or any subsidiary of the Company's holding company; or
 - (b) the spouses, civil partners, surviving spouses, surviving civil partners, or minor children or step-children of such employees or former employees;
- 8.1.2 **equity shares** means shares in the Company excluding shares which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution;
- 8.1.3 **equity securities** means (i) equity securities; or (ii) rights to subscribe for, or to convert securities into, equity securities;
- 8.1.4 references to the allotment of equity securities includes; (i) the grant of a right to subscribe for, or to convert any securities into, equity shares (but excludes the allotment of equity shares pursuant to the exercise of such a right); and (ii) the sale of equity shares in the Company that immediately before the sale are held by the Company as treasury shares.
- 8.2 The Company shall not allot equity securities to a person on any terms unless:
- 8.2.1 it has made an offer to each person who holds equity securities of the same class in the Company to allot to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company; and
 - 8.2.2 the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made.
- 8.3 Securities that the Company has offered to allot to a holder of equity securities in accordance with Article 8.2 may be allotted to him, or anyone in whose favour he has renounced his right to their allotment, without contravening Article 8.2.
- 8.4 Shares held by the Company as treasury shares shall be disregarded for the purposes of Article 8.2, so that the Company is not treated as a person who holds equity shares; and the treasury shares are not treated as forming part of the equity share capital of the Company.
- 8.5 Any offer required to be made by the Company pursuant to Article 8.2 should be made by a notice (given in accordance with Article 49) and such offer must state a period during which such offer may be accepted and such offer shall not be withdrawn before the end of that period. Such period must be a period of at least 21 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to Article 49.
- 8.6 Article 8.2 shall not apply in relation to the allotment of bonus shares, shares issued pursuant to the provisions of Article 44, a particular allotment of equity securities if these are, or are to be, wholly or partly paid otherwise than in cash nor to the allotment of equity securities that would, apart from any renunciation or assignment of the right to their allotment, be held under or allotted or transferred pursuant to an employees' share scheme.
- 8.7 The Company may by special resolution resolve that Article 8.2 shall be excluded or that such Article shall apply with such modifications as may be specified in the resolution:

- 8.7.1 generally in relation to the allotment by the Company of equity securities;
- 8.7.2 in relation to allotments of a particular description; or
- 8.7.3 in relation to a specified allotment of equity securities;

and any such resolution must: (i) state the maximum number of equity securities in respect of which Article 8.2 is excluded or modified (which may, for the avoidance of doubt, be an unlimited number); and (ii) specify the date on which such exclusion or modifications will expire, which must be not more than five years from the date on which the resolution is passed.

8.8 Any resolution passed pursuant to Article 8.6 may:

- 8.8.1 be renewed or further renewed by special resolution of the Company for a further period not exceeding five years; and
- 8.8.2 be revoked or varied at any time by special resolution of the Company.

8.9 Notwithstanding that any such resolution referred to in Article 8.6 or 8.8 has expired, the directors may allot equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be allotted after it expired.

8.10 In this Article 8, in relation to an offer to allot securities a reference (however expressed) to the holder of shares of any description is to whoever was the holder of shares of that description at the close of business on a date to be specified in the offer and the specified date must fall within the period of 28 days immediately before the date of the offer.

9 **REPURCHASE OF SHARES**

9.1 The Company may, at the discretion of the Board, purchase any of its own shares, whether or not they are redeemable, and may pay the purchase price in respect of such purchase to the fullest extent permitted by the Law.

9.2 Shares repurchased by the Company may be held as treasury shares and dealt with by the Directors to the fullest extent permitted by the Law.

10 **COMMISSIONS**

10.1 The Company may pay commission in money or shares to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company provided that the rate or amount of commission shall be fixed by the Board and disclosed in accordance with the Law. The Company may also pay brokerage charges.

11 **VARIATION OF CLASS RIGHTS**

11.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution of the holders of the shares of that class.

11.2 The quorum for a variation of class rights meeting is:-

- 11.2.1 for a meeting other than an adjourned meeting, two (2) persons present holding at least one third of the voting rights of the class in question;
- 11.2.2 for an adjourned meeting, one (1) person holding shares of the class in question; or

- 11.2.3 where the class has only one Member, that Member.
- 11.3 For the purposes of Article 11.2 above, where a person is present by proxy or proxies, he is treated as holding only the shares in respect of which the proxies are authorised to exercise voting rights.
- 11.4 At a variation of class rights meeting, any holder of shares of the class in question present may demand a poll.
- 11.5 For the purposes of this Article:-
- 11.5.1 any alteration of a provision contained in these Articles for the variation of rights attached to a class of shares, or the insertion of any such provision into the Articles, is itself to be treated as a variation of those rights; and
- 11.5.2 references to the variation of rights attached to a class of shares include references to their abrogation.
- 11.6 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of issue of the shares of that class) be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

12 **CLASS MEETINGS**

Subject as aforesaid in the case of a variation of class rights, when the share capital is divided into different classes of shares, Articles 23 through and including 28 shall apply mutatis mutandis to any class meeting and to the voting on any matter by the Members of any such class.

13 **TRUSTS**

- 13.1 Without prejudice to Part XXIX of the Law, except as ordered by a court of competent jurisdiction or as required by law, the Company shall not be affected or bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share or fraction or (except only as by these Articles or by law otherwise provided) or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder and whether or not such share shall be entered in the Register as held in trust, nor shall the Company be bound to see to the execution of any trust to which any share may be subject.

14 **NOTIFICATION OF INTERESTS**

- 14.1 Each Member shall be under an obligation to make notifications in accordance with the provisions of this Article 14.
- 14.2 If at any time the Company shall have a class of shares admitted to trading on the main market of the London Stock Exchange or on AIM, the provisions of DTR 5 shall be deemed to be incorporated by reference into these Articles and accordingly the vote holder and issuer notification rules set out in DTR 5 shall apply to the Company and each Member.
- 14.3 For the purposes of the incorporation by reference of DTR 5 into these Articles and the application of DTR 5 to the Company and each Member, the Company shall (for the purposes of this Article 14 only) be deemed to be a **non-UK issuer**, as such term is defined in DTR 5.
- 14.4 For the purposes of this Article 14 only, defined terms in DTR 5 shall bear the meaning set out in DTR 5, and if the meaning of a defined term is not set out in DTR 5, the defined term shall bear the meaning set out in the glossary to the FCA Handbook (in such case, read as the definition applicable to DTR 5).
- 14.5 If at any time the Company shall have a class of shares admitted to trading on the main

market of the London Stock Exchange or on AIM, the provisions of Section 793 of the 2006 Act, which provisions are incorporated by reference in these Articles and are available to the Members from the Secretary at no charge, shall apply to the Members of such class of shares, provided that for the purposes of this Article 14, the following terms shall have the meanings set forth below:

public company shall mean the Company; and

company's shares shall mean the class of shares of the Company admitted to trading on the main market of the London Stock Exchange or on AIM.

14.6 If the Company determines that a Member (a **Defaulting Member**) has not complied with the provision of DTR 5 as set forth above with respect to some or all of such shares held by such Member (the **Default Shares**), the Company shall have the right by delivery of notice to the Defaulting Member (a **Default Notice**) to:

14.6.1 suspend the right of such Defaulting Member to vote on the Default Shares in person or by proxy at any meeting of the Company. Such a suspension shall have effect from the date on which the Default Notice is delivered by the Company to the Defaulting Member until a date that is not more than seven (7) days after the Company has determined in its sole discretion that the Defaulting Member has cured the non-compliance with the provisions of DTR 5; **PROVIDED THAT** the Company may at any time by subsequent written notice cancel or suspend the operation of a Default Notice; and/or

14.6.2 (i) withhold, without any obligation to pay interest thereon, any dividend or other amount payable with respect to the Default Shares with such amount to be payable only after the Default Notice ceases to have effect with respect to the Default Shares, (ii) render ineffective any election to receive shares of the Company instead of cash in respect of any dividend or part thereof, and/or (iii) prohibit the transfer of any shares of the Company held by the Defaulting Member except with the consent of the Company or if the Defaulting Member can provide satisfactory evidence to the Company to the effect that, after due inquiry, such Defaulting Member has determined that the shares to be transferred are not Default Shares.

15 **CERTIFICATES**

15.1 The Board shall make such arrangements for the issue of share certificates as it may, from time to time, deem fit. Subject to a resolution of the Directors in accordance with Article 15.5, shares may be converted into and held in uncertificated form through CREST.

15.2 All forms of certificate for shares or debentures or representing any other form of security (other than letters of allotment, scrip certificates and other like documents) shall be issued and may, if determined by the Board, be issued under the Seal of the Company and shall be signed autographically unless there shall be in force a resolution of the Board adopting some method of mechanical signature in which event the signatures (if authorised by such resolution) may be effected by the method so adopted.

15.3 In respect of a share held jointly, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

15.4 If a share certificate be defaced lost or destroyed, it may be renewed on payment of such fee and on such terms (if any) as to evidence and indemnity and the payment of expenses as the Board thinks fit.

15.5 Subject to the Law, the Directors without further consultation with the holders of any shares or securities of the Company may resolve that any class or classes of share or other securities of the Company from time to time in issue or to be issued may be in uncertificated form and no provision of these Articles will apply to any uncertificated share

or other securities of the Company to the extent they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of a Relevant System.

16 **LIEN**

- 16.1 The Company shall have a first and paramount lien (extending to all dividends payable) on all shares (not being fully paid) for all monies, whether presently payable or not, called or payable at a fixed time in respect of those shares and for all the debts and liabilities of the holder to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person (other than such holder) and whether the time for payment or discharge shall have arrived or not and notwithstanding that the same are joint debts or liabilities of such holder and any other person (whether a Member of the Company or not).
- 16.2 The Company may sell as the Board thinks fit any shares on which the Company has a lien but no sale shall be made unless a sum in respect of which the lien exists is presently payable nor until after a notice in writing demanding payment has been given to the holder of the shares.
- 16.3 To give effect to any sale, the Board may authorise some person to transfer the shares sold to the purchaser who shall be registered as the holder of the shares comprised in any such transfer and who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings.

17 **CALLS ON SHARES**

- 17.1 The Board may at any time make on at least fourteen (14) clear days' notice calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value or by way of premium and not by the conditions of allotment made payable at fixed times) and each Member shall pay to the Company at the time and place appointed the amount called. A call may be revoked or postponed.
- 17.2 Joint holders shall be jointly and severally liable to pay calls.
- 17.3 If a sum called in respect of a share is not paid before or on the day appointed, the person from whom the sum is due shall pay interest from the day appointed to the time of actual payment at such rate as the Board may determine.
- 17.4 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and, in the case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 17.5 The Board may on an issue of shares differentiate between holders as to amount of calls and times of payment.

18 **FORFEITURE AND SURRENDER OF SHARES**

- 18.1 If a Member fails to pay any call or instalment on the day appointed, the Board may, at any time during such period as any part remains unpaid, serve notice requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses which may have been incurred by the Company by reason of non-payment.
- 18.2 The notice shall state a further day at least fourteen (14) clear days after the date of the notice on or before which the payment required by the notice is to be made and the place where the payment is to be made and that in the event of non-payment the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. If

the requirements of any such notice are not complied with, any share in respect of which the notice has been given may, at any time before payment has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.

- 18.3 Notice of forfeiture shall forthwith be given to the former holder and an entry of such notice and forfeiture shall forthwith be made and dated in the Register opposite the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice or to make entry.
- 18.4 A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms as the Board shall think fit, with or without all or any part of the amount previously paid on the share being credited as paid, and, at any time before a sale or disposition, the forfeiture may be cancelled.
- 18.5 A person whose shares have been forfeited shall cease to be a Member in respect of those shares but shall remain liable to pay to the Company all monies which, at the date of forfeiture, were payable in respect of the shares with interest at such rate as the Board may determine. The Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 18.6 The forfeiture of a share shall extinguish all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder and the Company.
- 18.7 The Board may accept from any Member on such terms as shall be agreed a surrender of any shares in respect of which there is a liability for calls. Any surrendered share may be disposed of in the same manner as a forfeited share.
- 18.8 A declaration in writing by a Director or the Secretary that a share has been duly forfeited or surrendered on the date stated in the declaration shall be conclusive evidence of the facts therein as against all persons claiming to be entitled to the shares.
- 18.9 The Company may receive the consideration given for any share on any sale or disposition and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of and he shall thereupon be registered as the holder and shall not be bound to see to the application of the purchase money nor shall his title be affected by any irregularity or invalidity in forfeiture sale re-allotment or disposal.
- 18.10 The Directors may, in their absolute discretion, refuse to register a transfer of any shares to a person that they have reason to believe is (i) an **employee benefit plan** (within the meaning of Section 3(3) of ERISA) that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state, local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and the Investment Manager (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a **Plan**) or (iv) any person in circumstances where the holding of shares by such person would (a) give rise to an obligation on the Company to register as an "investment company" under the Investment Company Act; (b) preclude the Company from relying on the exception to the definition of **investment company** contained in Section 3(c)(7) of the Investment Company Act; (c) give rise to an obligation on the Company to register under the Exchange Act, as amended; or (d) result in the Company not being considered a **Foreign Private Issuer** as that term is defined by Rule 3b-4(c) promulgated under the Exchange Act; or (e) give rise to an obligation on the Investment Manager to register as a commodity pool operator or commodity trading advisor under the US Commodity Exchange Act of 1974, as amended (each such person, a **Prohibited US Person**). Each person

acquiring shares shall by virtue of such acquisition be deemed to have represented to the Company that they are not a Prohibited US Person.

- 18.11 If any shares are owned directly or beneficially by a person believed by the Board to be a Prohibited US Person, the Board may give notice to such person requiring them either (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Prohibited US Person or (ii) to sell or transfer their shares to a person qualified to own the same within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited their shares.
- 18.12 A forfeited share will be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms as the Board thinks fit, including (if applicable) with or without all or any part of the amount previously paid on the share being credited as paid. At any time before such a sale or disposition the forfeiture process may be cancelled. No proceeds of any forfeiture will be paid to any person whose shares have been forfeited.
- 18.13 The Board may, save only as may be necessary to comply with the provisions of the Law, vary or amend the terms of any calls made, to include waiving or forgiving any amounts due under a call or extending the period by which a call must be satisfied in each case on such terms or conditions as the Board may determine.

19 REGISTER OF MEMBERS

- 19.1 The Company shall keep the Register and index of Members in accordance with Sections 123-128 of the Law and allow inspection in accordance with Sections 127-128 of the Law. The Company may delegate the maintenance of its Register and index of Members upon such terms as the Board may think fit. In the absence of manifest error, the Register shall be conclusive evidence as to the persons entitled to the shares entered therein.
- 19.2 Each Member shall inform the Company by means of a notice addressed to the Office of any change in his address and immediately after receipt of that notice the entry of the address of that Member in the Register shall be altered in conformity with the notice given.
- 19.3 The Register may be closed during such periods as the Board thinks fit not exceeding in all thirty (30) days in any year.

20 TRANSFER AND TRANSMISSION OF SHARES

- 20.1 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of shares to be admitted to settlement by means of the CREST UK system. Where they do so, Articles 20.2 and 20.3 shall commence to have effect immediately prior to the time at which EUI admits the class to settlement by means of the CREST UK system.
- 20.2 In relation to any class of shares which, for the time being, EUI has admitted to settlement by means of the CREST UK system, and for so long as such class remains so admitted, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:
- 20.2.1 the holding of shares of that class in uncertificated form;
 - 20.2.2 the transfer of title to shares of that class by means of the CREST UK system; or
 - 20.2.3 the CREST Guernsey Requirements.
- 20.3 Without prejudice to the generality of Article 20.2 and notwithstanding anything contained

in these Articles where any class of shares is, for the time being, admitted to settlement by means of the CREST UK system:

- 20.3.1 such securities may be issued in uncertificated form in accordance with and subject as provided in the CREST Guernsey Requirements;
- 20.3.2 unless the Directors otherwise determine, such securities held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
- 20.3.3 such securities may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the CREST Guernsey Requirements;
- 20.3.4 title to such of the shares as are recorded on the Register as being held in uncertificated form may be transferred only by means of the CREST UK system and as provided in the CREST Guernsey Requirements and accordingly (and in particular) no provision of these Articles shall 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 security to be transferred;
- 20.3.5 the Company shall comply in all respects with the CREST Guernsey Requirements including, without limitation, CREST Rule 7;
- 20.3.6 no provision of these Articles shall apply so as to require the Company to issue a certificate to any person holding such shares in uncertificated form;
- 20.3.7 the permitted number of joint holders of a share shall be four;
- 20.3.8 every transfer of shares from a CREST account of a CREST member to a CREST account of another CREST member shall vest in the transferee a beneficial interest in the shares transferred, notwithstanding any agreements or arrangements to the contrary however and whenever arising and however expressed. Accordingly, each CREST member who is for the time being registered as the holder of any shares in the capital of the Company shall hold such shares upon trust for himself and for those persons (if any) whose CREST accounts are duly credited with any such shares or in favour of whom shares are to be withdrawn from the CREST system pursuant to a settled stock withdrawal instruction; and the member and all such persons, to the extent respectively of the shares duly credited to their respective CREST accounts or the subject of a settled stock withdrawal instruction, shall accordingly have beneficial interests therein;
- 20.3.9 where a dematerialised instruction is expressed to have been sent on behalf of a person by a Sponsor or by EUI:
 - (c) the person on whose behalf the instruction is expressed to have been sent shall not be able to deny to the addressee:
 - (i) that the instruction was sent with his authority; or
 - (ii) that the information contained in it is correct; and
 - (d) the Sponsor or EUI, as the case may be, shall not be able to deny to the addressee:
 - (i) that he has authority to send the dematerialised instruction; or
 - (ii) that he has sent the dematerialised instruction.

- 20.3.10 where a dematerialised instruction is expressed to have been sent by a person, and it is not expressed to have been sent on behalf of another person, the first person shall not be allowed to deny to the addressee:
- (e) that the information contained in the instruction is correct; or
 - (f) that he has sent it.
- 20.3.11 an addressee who receives a dematerialised instruction (whether directly, or by means of the facilities of a Sponsor acting on his behalf) may (subject to Articles 19.3.12 and 19.3.13) accept that at the time when it was sent or at any time thereafter:
- (g) the information contained in the instruction was correct;
 - (h) the user or authorised operator identified in the instruction as having sent the instruction did send it; and
 - (i) if the instruction was expressed to have been sent on behalf of a person, it was sent with the authority of that person.
- 20.3.12 subject to Article 20.3.14, an addressee shall not be allowed to accept any of the matters specified in 20.3.11 where, at the time when he received the dematerialised instruction or at any time thereafter, he was a person who was not either the Company or a Sponsor receiving (in either case) dematerialised instructions on behalf of the Company, and he had actual notice:
- (j) that any information contained in it was incorrect;
 - (k) that the user or EUI expressed to have sent the instruction did not send it; or
 - (l) if the instruction was expressed to have been sent on behalf of a person, that the person had not given to EUI or the Sponsor identified in the instruction as having sent it his authority to send the instruction on his behalf.
- 20.3.13 subject to 20.3.14, an addressee shall not be allowed to accept any of the matters specified in Article 20.3.11 where, at the time when he received the dematerialised instruction, he was either the Company or a Sponsor receiving dematerialised instructions on behalf of the Company, and:
- (m) he had actual notice from EUI of any of the matters specified in Article 20.3.12; and
 - (n) the instruction was an instruction from EUI requiring the registration of title in the circumstances specified in any of subparagraphs 8.1.1, 8.1.2, 8.1.3 and 8.1.4 of the CREST Guernsey Requirements.
- 20.3.14 however, where an addressee has received actual notice of a kind to which this Article refers in respect of a properly authenticated dematerialised instruction, he may accept the matters specified in Article 20.3.11 if at the time when he received the actual notice it was not practicable for him to halt his processing of the instruction.
- 20.3.15 a person who is permitted by Articles 20.3.11 or 20.3.14 to accept any matter shall not be liable in damages or otherwise to any person by reason

of his having relied on the matter that he was permitted to accept.

- 20.3.16 except as provided in 20.3.15, this Article 20.3 does not affect any liability of a person for causing or permitting a dematerialised instruction:
- (o) to be sent without authority;
 - (p) to contain information that is incorrect; or
 - (q) to be expressed to have been sent by a person who did not send it.
- 20.3.17 Articles 20.3.14 to 20.3.16 are to be construed in accordance with the CREST Manual.
- 20.3.18 words and expressions not specifically defined in Article 20.3 shall bear the same meaning as those words and expressions defined in the CREST Manual.
- 20.4 Subject to such of the restrictions of these Articles as may be applicable:
- 20.4.1 any Member may transfer all or any of his uncertificated shares by means of a Relevant System authorised by the Board in such manner provided for, and subject as provided, in any regulations issued for this purpose under the Law or such as may otherwise from time to time be adopted by the Board on behalf of the Company and the rules of any relevant system and accordingly no provision of these Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred;
 - 20.4.2 any Member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve; and
 - 20.4.3 an instrument of transfer of a certificated share shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer of a certificated share need not be under seal.
- 20.5 All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Board or by any other manner as the Board may accept and permitted by the Law and the rules of each stock exchange on which the relevant shares may be listed. Any instrument of transfer shall be signed by or on behalf of the transferor who shall be deemed to remain the holder until the name of the transferee is entered in the Register. A transfer in respect of shares which are not fully paid shall also be signed by the transferee.
- 20.6 Every instrument of transfer shall be left at the Office or such other place as the Board may prescribe with the certificate (if applicable) of every share to be transferred and such other evidence as the Board may reasonably require to prove the title of the transferor or his right to transfer the shares; and the transfer and certificate shall remain in the custody of the Board but shall be at all reasonable times produced at the request and expense of the transferor or transferee or their respective representatives.
- 20.7 The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share in certificated form or uncertificated form which is not fully paid or on which the Company has a lien, provided, in the case of a listed or publicly traded share that this would not prevent dealings in the share from taking place on an open and proper basis. In addition, the directors may refuse to register a transfer of shares unless:
- 20.7.1 it is in respect of only one class of shares;

- 20.7.2 it is in favour of a single transferee or not more than four joint transferees; and
- 20.7.3 it is delivered for registration to the Office or such other place as the Board may decide, accompanied by the certificate(s) for the shares to which it relates and such other evidence as the Board may reasonably require to prove title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.
- 20.8 The Board may only decline to register a transfer of an uncertificated share in the circumstances set out in regulations issued for this purpose under the Law, and where, in the case of a transfer, to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.
- 20.9 If the Board refuse to register the transfer of a share they shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee.
- 20.10 Subject to the provisions of the CREST Guernsey Requirements the registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any one year) as the Board may decide and either generally or in respect of a particular class of share. Any such suspension shall be communicated to shareholders, giving reasonable notice of such suspension, by means of a recognised regulatory news service.
- 20.11 No fee shall be payable to the Company in respect of the registration of any transfer, probate, letters of administration, certificate or marriage or death, power of attorney, instruction or other document relating to or affecting the title to any shares.
- 20.12 The Company shall keep the Register in accordance with Sections 123 to 128 of the Law and the CREST Guernsey Requirements. The Register may be closed during such periods as the Board thinks fit not exceeding in all thirty days in any year.
- 20.13 On the death of a Member the survivors where the deceased was a joint holder and the executors of the deceased where he was a sole holder shall be the only persons recognised by the Company as having any title to or interest in his shares; but nothing herein shall release the estate of a deceased joint holder from any liability in respect of any share jointly held.
- 20.14 A person so becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member shall have the right to receive and may give a discharge for all dividends and other money payable or other advantages due on or in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, or save as aforesaid, to any of the rights or privileges of a Member unless and until he shall be registered as a Member in respect of the share PROVIDED ALWAYS that 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 ninety days the Board may thereafter withhold all dividends or other monies payable or other advantages due in respect of the share until the requirements of the notice have been complied with.
- 20.15 Nothing in these Articles shall preclude the Board from recognising the renunciation of the allotment of any share by the allottee in favour of some other person.
- 20.16 For the avoidance of doubt, nothing in these Articles shall require the shares to be transferred by written instrument if the Law provides otherwise and the Board shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Law (including such arrangements as the Board may deem necessary or desirable to comply with any applicable law or regulation) to evidence and regulate the transfer of title to shares in the Company and for the approval or disapproval as the case may be by the Directors or the Operator of any Relevant System of the registration of

those shares.

21 **UNTRACED SHAREHOLDERS**

21.1 The Company shall be entitled to sell (at a price which the Company shall use its reasonable endeavours to ensure is the best obtainable) the shares of a Member or the shares to which a person is entitled by virtue of transmission on death or insolvency or otherwise by operation of law if and provided that:

21.1.1 during the period of not less than twelve (12) years prior to the date of the publication of the advertisements referred to below (or, if published on different dates, the first thereof) at least three (3) dividends in respect of the shares in question have become payable and no dividend in respect of those shares has been claimed; and

21.1.2 the Company shall following the expiry of such period of twelve (12) years have inserted advertisements in a national newspaper and/or in a newspaper circulating in the area in which the last known address of the Member or the address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the said shares; and

21.1.3 during the period of three (3) months following the publication of such advertisements (or, if published on different dates, the last thereof) the Company shall have received indication neither of the whereabouts nor of the existence of such Member or person; and

21.1.4 notice shall have been given to the stock exchanges on which the Company is listed, if any.

21.2 The foregoing provisions of this Article are subject to any restrictions applicable under any regulations relating to the holding and/or transferring of securities in any paperless system as may be introduced from time to time in respect of the shares of the Company or any class thereof.

22 **ALTERATION OF CAPITAL**

22.1 The Company at any time may, by ordinary resolution, increase its authorised share capital, if such has been specified, by such sum to be divided into shares of such amount as the resolution shall prescribe.

22.2 Unless the Company shall have resolved otherwise, any new shares shall be of such class and amount and have such preference or priority as regards dividends or in the distribution of assets or as to voting or otherwise over any other shares of any class, whether then issued or not, or be subject to such stipulations deferring them to any other shares with regard to dividends or in the distribution of the assets as the Board may determine.

22.3 The Company may by ordinary resolution:-

22.3.1 consolidate and divide all or any of its share capital into shares of larger or smaller amounts than its existing shares;

22.3.2 subject to Article 22.4, subdivide all or any of its shares into shares of a smaller amount;

22.3.3 cancel shares which, at the date of the passing of the resolution, have not been taken up or agreed to be taken up by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;

22.3.4 convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency, the conversion being effected at the rate of

exchange (calculated to not less than three significant figures) current on the date of the resolution or on such other day as may be specified therein;

- 22.3.5 where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or subdivisions of that currency or former currency, or otherwise.
- 22.4 In any subdivision under Article 22.3.2, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as that proportion in the case of the share from which the reduced share was derived.
- 22.5 The Board on any consolidation of shares may deal with fractions of shares in any manner.
- 22.6 The Company may reduce its share capital, any capital account or any share premium account in any manner and with and subject to any authorisation or consent required by the Law.

23 GENERAL MEETINGS

- 23.1 The first general meeting of the Company shall be held within eighteen (18) months of the date of incorporation as required by the Law and thereafter general meetings shall be held once at least in each subsequent calendar year in accordance with Section 199 of the Law but so that not more than fifteen (15) months may elapse between one annual general meeting and the next. At each such annual general meeting shall be laid copies of the Company's most recent accounts, Directors' report and, if applicable, the auditor's report in accordance with Section 252 of the Law. The requirement for an annual general meeting may be waived by the Members in accordance with Section 201 of the Law. Other meetings of the Company shall be called extraordinary general meetings.
- 23.2 All general meetings shall be held in Guernsey.
- 23.3 A Member participating by video link or telephone conference call or other electronic or telephonic means of communication in a meeting at which a quorum is present shall be treated as having attended that meeting provided that the Members present at the meeting can hear and speak to the participating Member.
- 23.4 A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Members participates and all participants can hear and speak to each other shall be a valid meeting which shall be deemed to take place where the Chairman is present unless the Members resolve otherwise.
- 23.5 Any general meeting convened by the Board, unless its time shall have been fixed by the Company in general meeting or unless convened in pursuance of a requisition, may be postponed by the Board by notice in writing and the meeting shall, subject to any further postponement or adjournment, be held at the postponed date for the purpose of transacting the business covered by the original notice.
- 23.6 The Board may, whenever it thinks fit, and shall on the requisition of Members who hold more than ten percent (10%) of such of the capital of the Company as carries the right to vote at general meetings (excluding any capital held as treasury shares) in accordance with Sections 203 and 204 of the Law proceed to convene a general meeting.

24 NOTICE OF GENERAL MEETINGS

- 24.1 A general meeting of the Company (other than an adjourned meeting) must be called by notice of at least fourteen (14) clear days.
- 24.2 A general meeting may be called by shorter notice than otherwise required if all the Members entitled to attend and vote so agree.

- 24.3 Notices and other documents may be sent in electronic form or published on a website in accordance with Section 208 of the Law.
- 24.4 Notice of a general meeting of the Company must be sent to:-
- 24.4.1 every Member entitled to attend and vote thereat;
 - 24.4.2 every Director; and
 - 24.4.3 every Alternate Director registered as such.
- 24.5 In Article 24.4, the reference to Members includes only persons registered as a Member.
- 24.6 Notice of a general meeting of a company must:-
- 24.6.1 state the time and date of the meeting;
 - 24.6.2 state the place of the meeting;
 - 24.6.3 specify any special business to be put to the meeting (as defined in Article 25.1);
 - 24.6.4 contain the information required under Section 178(6)(a) of the Law in respect of a resolution which is to be proposed as a special resolution at the meeting;
 - 24.6.5 contain the information required under Section 179(6)(a) of the Law in respect of a resolution which is to be proposed as a waiver resolution at the meeting; and
 - 24.6.6 contain the information required under Section 180(3)(a) of the Law in respect of a resolution which is to be proposed as a unanimous resolution at the meeting.
- 24.7 Notice of a general meeting must state the general nature of the business to be dealt with at the meeting.
- 24.8 Where, by any provision of the Law, special notice is required of a resolution, the resolution is not effective unless notice of the intention to move it has been given to the Company at least twenty-eight (28) clear days before the date of the meeting at which it is moved.
- 24.9 The Company must, where practicable, give its Members entitled to vote thereon notice of any such resolution in the same manner and at the same time as it gives notice of the meeting.
- 24.10 Where that is not practicable, the Company must give its Members entitled to vote thereon notice at least fourteen (14) clear days before the meeting:-
- 24.10.1 by notice in La Gazette Officielle, or
 - 24.10.2 in any other manner deemed appropriate by the Board.
- 24.11 If, after notice of the intention to move such a resolution has been given to the Company, a meeting is called for a date twenty-eight (28) clear days or less after the notice has been given, the notice is deemed to have been properly given, though not given within the time required.
- 24.12 In every notice calling a meeting of the Company there must appear a statement informing the Member of:-

- 24.12.1 his rights to appoint a proxy under these Articles and Section 222 of the Law; and
 - 24.12.2 the right to appoint more than one proxy.
- 24.13 The accidental omission to give notice of any meeting to or the non-receipt of such notice by any Member shall not invalidate any resolution or any proposed resolution otherwise duly approved.

25 PROCEEDINGS AT GENERAL MEETINGS

- 25.1 The ordinary business of a general meeting shall be to receive and consider the profit and loss account and the balance sheet of the Company and the reports of the Directors and the Auditors, if any, to elect or re-elect Directors and appoint Auditors in the place of those retiring, to fix the remuneration of the Directors and Auditors, to sanction or declare dividends (if required by these Articles) and to transact any other ordinary business which ought to be transacted at such meeting. All other business shall be deemed special and shall be subject to notice as hereinbefore provided.
- 25.2 The quorum for a general meeting shall be two Members present in person or by proxy and holding 5% or more of the voting rights available at such meeting.
- 25.3 If, within half an hour after the time appointed for the meeting, a quorum is not present, the meeting, if convened by or upon a requisition, shall be dissolved. If otherwise convened, it shall stand adjourned for fourteen (14) clear days at the same time and place (or if that day is not a business day in the location of the meeting, to the next business day) or to such other day, time or place as the Board may determine and (subject to Article 25.8) no notice of adjournment need be given. The quorum at any such adjourned meeting shall be such Member or Members who shall attend in person or by proxy.
- 25.4 The chairman of any general meeting shall be either:-
- 25.4.1 the chairman of the Board;
 - 25.4.2 in the absence of the chairman of the Board, or if the Board has no chairman, then the Board shall nominate one of their number to preside as chairman;
 - 25.4.3 if neither the chairman of the Board nor the nominated Director is present at the meeting, then the Directors present at the meeting shall elect one of their number to be the chairman,
 - 25.4.4 if only one Director is present at the meeting, then he shall be chairman of the general meeting; or
 - 25.4.5 if no Directors are present at the meeting, then the Members present shall elect a chairman of the meeting by an ordinary resolution.
- 25.5 The chairman of the general meeting shall conduct the meeting in such a manner as, subject to the Law, he thinks fit and may adjourn the meeting from time to time and limit the time for Members to speak.
- 25.6 The Board may determine in respect of any general meeting or meetings or generally that a list of the names and addresses of the Members shall not be made available for inspection.
- 25.7 A Director of the Company shall 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 regardless of whether that Director is a Member of the Company or a holder of the relevant class of shares.
- 25.8 The chairman may, with the consent of any meeting at which a quorum is present, and

shall if so directed by the meeting, adjourn the meeting to any time and to any place. When a meeting is adjourned for more than fourteen (14) clear days or where business other than the business left unfinished at the meeting from which the adjournment took place is to be put to the adjourned meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

25.9 At any meeting, a resolution put to the vote shall be decided by a show of hands or by a poll at the option of the chairman. Nevertheless before or on the declaration of the result a poll may be demanded:-

25.9.1 by the chairman; or

25.9.2 by not less than five (5) Members having the right to vote on the resolution; or

25.9.3 by a Member or Members representing not less than ten (10) per cent. of the total voting rights of all Members having the right to vote on the resolution.

25.10 The demand for a poll may be withdrawn.

25.11 Unless a poll is demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded.

25.12 A poll, if demanded, shall be taken at the meeting at which the same is demanded or at such other time and place as the chairman shall direct and the result shall be deemed the resolution of the meeting.

25.13 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

25.14 If a poll shall be duly demanded on the election of a chairman or on any question of adjournment, it shall be taken at once.

25.15 In case of an equality of votes on a poll, the chairman shall have a second or casting vote.

26 **VOTES OF MEMBERS**

26.1 Subject to Article 7, on a show of hands, every Member present in person or by proxy shall have one vote subject to any special voting powers or restrictions.

26.2 Subject to Article 7, on a poll, every Member present in person or by proxy shall have one vote for each share held by him subject to any special voting powers or restrictions.

26.3 Where there are joint registered holders of any shares, such persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the Register shall alone be entitled to vote.

26.4 Any Member, being incapable or of unsound mind, may vote by his curator or other legal guardian. Any of such persons may vote either personally or by proxy.

26.5 On a poll, votes may be given either personally or by proxy and a Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a Member. An instrument of proxy may be valid for one or more meetings.

26.6 No Member shall be entitled to be present or take part in any proceedings or vote, either personally or by proxy, at any meeting unless all calls due from him have been paid.

26.7 No Member shall be entitled to vote in respect of any shares that he has acquired unless he has been registered in the Register as their holder.

26.8 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed shall be valid for all purposes. Any objection made in due time shall be referred to the chairman whose decision shall be final and binding.

27 PROXIES

27.1 A Member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A Member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.

27.2 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under the hand of an officer or attorney duly authorised.

27.3 The Directors must send proxy forms by post (which may be at the expense of the Company and with or without provisions for their return pre-paid) or, to the extent that a Member has consented to the use of electronic communications and notified an address for that purpose and if the Directors so decide, using electronic communications 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.

27.4 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or such other venue as the Board may specify not less than forty eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll and in default, unless the Board directs otherwise, the instrument of proxy shall not be treated as valid.

27.5 The instrument appointing a proxy may be in any form which the Board may approve and may include an instruction by the appointor to the proxy either to vote for or against any resolution to be put to the meeting.

27.6 Without limiting any other provision of these Articles, in relation to an uncertificated share the Directors may from time to time:

27.6.1 permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;

27.6.2 where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;

27.6.3 prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the Relevant System concerned on its behalf); and

27.6.4 treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

27.7 For the purposes of Article 27.6, **Uncertificated Proxy Instruction** means an electronic communication in the form of:

- 7.1.1 an instruction which is properly authenticated as determined by the Regulations;
 - 7.1.2 any other instruction or notification; or
 - 27.7.1 any supplemented or amended instruction or notification,
 - 27.7.2 in each case sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company (and in such form and on such terms and conditions) as the Board may determine subject to the facilities and requirements of that system.
- 27.8 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll and shall be as valid for any adjournment as for the meeting to which it relates.
- 27.9 Without prejudice to Section 226 of the Law, a vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or disability of the principal or revocation of the proxy or of the authority under which the proxy was executed provided that no intimation in writing of such death, disability or revocation shall have been received by the Company at the Office before the commencement of the meeting or adjournment or the taking of the poll at which the proxy is used.
- 27.10 Any corporation which is a Member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company or to approve any resolution submitted in writing and the person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual Member of the Company.

28 **WRITTEN RESOLUTIONS**

- 28.1 Resolutions of the Members may be approved in writing if so determined by the Directors or the Members in accordance with Part XIII of the Law and every Member voting thereon shall have one vote for each share subject to any special voting powers or restrictions.
- 28.2 Notice specifying the proposed resolution in writing may be sent by the Company to Members by post or by facsimile or such other telephonic or electronic means of written communications as the Board may, subject to the Law, determine at any time.
- 28.3 Notices of proposed written resolutions forwarded by post shall be sent to the address of such Members entered in the Register. Notices forwarded by any telephonic or electronic means of written communication shall be forwarded to such destination as the Member in question may at any time designate in writing signed by him.
- 28.4 Notices of proposed written resolutions shall incorporate or be accompanied by an instrument to be signed by or on behalf of the Member to who it is addressed for the purpose of approving the same.
- 28.5 Any notice of a proposed written resolution shall specify a date and time (whether greater or lesser than any period for the time being prescribed by the Law) at which the instrument or instruments signed by or on behalf of the Members voting in favour thereof shall be counted and at which the resolution if approved by the requisite majority shall become effective. No instrument received or signature appended thereto after such time shall be counted.
- 28.6 Notwithstanding anything else contained herein (and in particular the method of sending the notice of and instrument for approving the written resolution to Members) all such instruments containing such approval shall be in writing and signed by the Member or Members in question. The signature of a Member shall be acceptable for such purposes if

received by facsimile telephonic transmission or in any other way specified in the notice.

- 28.7 The accidental omission to give notice of any proposed written resolution to or the non receipt of such notice by any Member shall not invalidate any resolution or any proposed resolution otherwise duly approved.

29 **NUMBER, APPOINTMENT AND QUALIFICATION OF DIRECTORS**

- 29.1 Until otherwise determined by the Board, the number of Directors shall be not less than two (2). At no time shall a majority of Directors, including any duly appointed alternates, be resident in the United Kingdom, and a person shall not be appointed a Director if as a result of such appointment the Board would cease to consist of a majority of Directors resident outside the United Kingdom.

- 29.2 The Board shall have power at any time to appoint any person eligible in accordance with Section 137 of the Law to be a Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number, if any, fixed pursuant to these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

- 29.3 No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless, not less than fourteen (14) clear days before the date appointed for the meetings there shall have been left at the Office 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 together with notice in writing signed by that person of his willingness to be elected.

- 29.4 Without prejudice to the powers of the Board, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.

- 29.5 A share qualification for a Director may be fixed by the Company in general meeting and unless and until so fixed no qualification shall be required.

30 **REMUNERATION OF DIRECTORS**

- 30.1 Unless otherwise determined by the Company by ordinary resolution, there shall be paid to the board (other than alternate directors) such fees for their services in the office of director as the board may determine.

- 30.2 The Directors shall also be paid all reasonable out-of-pocket travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

- 30.3 In addition, the Board may award additional remuneration to any Director engaged in exceptional work at the request of the Board on a time spent basis.

31 **INDEMNITIES**

- 31.1 The Directors, Secretary and officers for the time being of the Company and their respective heirs and executors shall, to the extent permitted by Section 157 of the Law, be fully indemnified out of the assets and profits of the Company from and against all actions expenses and liabilities which they or their respective heirs or executors may incur by reason of any contract entered into or any act in or about the execution of their respective offices or trusts except such (if any) as they shall incur by or through their own negligence, default, breach of duty or breach of trust respectively and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipt for the sake of conformity or for any bankers or other person with whom any monies or assets of the Company may be lodged or deposited for safe custody

or for any bankers or other persons into whose hands any money or assets of the Company may come or for any defects of title of the Company to any property purchased or for insufficiency or deficiency of or defect in title of the Company to any security upon which any monies of the Company shall be placed out or invested or for any loss misfortune or damage resulting from any such cause as aforesaid or which may happen in or about the execution of their respective offices or trusts except the same shall happen by or through their own negligence, default, breach of duty or breach of trust.

- 31.2 The Directors may agree to such contractual indemnities for the benefit of the Secretary, officers, employees and other agents and contracting parties as they may from time to time, deem fit.
- 31.3 Notwithstanding Article 31.1, the Board may purchase and maintain, at the expense of the Company, insurance for the benefit of the Directors, Secretary, officers, employees and other agents and/or to cover corporate reimbursement of such Directors, Secretary, officers, employees and other agents.

32 **REGISTERS OF DIRECTORS**

The Directors or Secretary shall cause to be maintained a register of Directors in accordance with Sections 143 and 147 of the Law.

33 **ALTERNATE DIRECTORS**

- 33.1 Any Director may, by notice in writing under his hand served upon the Company, appoint any person (whether a Member of the Company or not) as an alternate Director to attend and vote in his place at any meeting of the Directors at which he is not personally present or to undertake and perform such duties and functions and to exercise such rights as he could personally and such appointment may be made generally or specifically or for any period or for any particular meeting and with and subject to any particular restrictions provided that a Director who is not resident in the United Kingdom may not appoint as his alternate any person who is United Kingdom resident. Subject thereto, every such appointment shall be effective and the following provisions shall apply:-
- 33.2 Every alternate Director while he holds office as such shall be entitled:-
- 33.2.1 if his appointor so directs the Secretary, to notice of meetings of the Directors; and
- 33.2.2 to attend and to exercise (subject to any restrictions) all the rights and privileges of his appointor at all such meetings at which his appointor is not personally present.
- 33.3 Every alternate Director shall ipso facto vacate office if and when his appointment expires by effluxion of time or his appointor vacates office as a Director or removes the alternate Director from office as such by notice in writing under his hand served upon the Company
- 33.4 No alternate Director shall be entitled as such to receive any remuneration from the Company but every alternate Director shall be entitled to be paid all reasonable expenses incurred in exercise of his duties.
- 33.5 A Director may act as alternate Director for another Director and shall be entitled to vote for such other Director as well as on his own account but no Director shall at any meeting be entitled to act as alternate Director for more than one other Director.

34 **BORROWING POWERS OF THE BOARD**

The Board may exercise all the powers of the Company to borrow money (in whatever currency the Board determines from time to time) and mortgage, hypothecate, pledge or charge all or part of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any liability or obligation of the Company or of any third party.

35 OTHER POWERS AND DUTIES OF THE BOARD

- 35.1 The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting subject nevertheless to these Articles and to the Law and to such regulations as may be prescribed by the Company in general meeting but no regulation so made shall invalidate any prior act of the Board. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 35.2 The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as it thinks advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing, assisting or subsidising any such subsidiary company or guaranteeing its contracts, obligations or liabilities.
- 35.3 The Board may establish any local boards or committees (provided that any such local board or committee shall be composed of all or a majority of persons who are resident outside of the United Kingdom and such local board or committee shall in any case meet in Guernsey) for managing any of the affairs of the Company and may appoint any one or more of its number or any other persons to be members of such local boards or committees and may fix their remuneration and may delegate to any local board or committee any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or committee to fill any vacancies and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. The provisions of Article 38 shall apply to meetings of such local boards and committees mutatis mutandis save as varied by the Board.
- 35.4 The Board may:-
- 35.4.1 at any time, by power of attorney given under the hand of such person or persons duly authorised by the Board in that behalf, appoint any person or any fluctuating body of persons (not resident in the United Kingdom), whether nominated directly or indirectly by the Board, to be the attorney of the Company for such purposes and with such powers and discretions and for such periods and subject to such conditions as the Board may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any attorney as the Board may think fit and may also authorise any attorney to sub-delegate all or any of his powers and discretions; or
- 35.4.2 appoint such other agents, managers and contractors with such powers to sub-delegate as it may deem fit from time to time.
- 35.5 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Board shall, at any time, determine.
- 35.6 The Board shall cause minutes to be made and maintained at the Office or in such other place in Guernsey as the Board may think fit in books provided for the purpose of all resolutions and proceedings at meetings of the Board and of Board Committees in accordance with Section 154 of the Law.
- 35.7 The Board shall cause minutes and records of other corporate resolutions to be made and maintained at the Office or in such other place in Guernsey as the Board may think fit in accordance with Sections 228 and 230 of the Law of all proceedings at general meetings or

otherwise and all decisions of a sole Member.

- 35.8 The Board may pay a gratuity, pension or allowance on death or retirement to, and may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation or life assurance funds or schemes, for the benefit of any persons:-
- 35.8.1 who are or were at any time in the employment or service of the Company or of any company which is or was a holding or subsidiary company of the Company or of any predecessor in business of any of them; or
- 35.8.2 who are or were at any time Directors or officers of the Company or of any such other company or predecessor in business and holding any salaried employment or executive office in the Company or such other company or predecessor in business; and the wives, widows, children, dependants or relations of any such persons. The receipt of any such gratuity pension or allowance shall not disqualify any person from being a Director of the Company.
- 35.9 The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid and make payments for or towards the insurance of any such persons.
- 35.10 The Board may do any of the matters aforesaid either alone or in conjunction with any such other company.

36 **CONFLICTS OF INTEREST**

- 36.1 A Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose to the Board in accordance with Section 162 of the Law:-
- 36.1.1 if the monetary value of the Director's interest is quantifiable, the nature and monetary value of that interest; or
- 36.1.2 if the monetary value of the Director's interest is not quantifiable, the nature and extent of that interest.
- 36.2 Article 36.1 does not apply if:-
- 36.2.1 the transaction or proposed transaction is between the Director and the Company; and
- 36.2.2 the transaction or proposed transaction is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.
- 36.3 A general disclosure to the Board to the effect that a Director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party is sufficient disclosure of interest in relation to that transaction.
- 36.4 Nothing in Articles 36.1, 36.2 and 36.3 applies in relation to:-
- 36.4.1 remuneration or other benefit given to a Director;
- 36.4.2 insurance purchased or maintained for a Director in accordance with Section 158 of the Law; or
- 36.4.3 qualifying third party indemnity provision provided for a Director in accordance with Section 159 of the Law.

- 36.5 Subject to Article 36.6, a Director is interested in a transaction to which the Company is a party if the director:-
- 36.5.1 is a party to, or may derive a material benefit from, the transaction;
 - 36.5.2 has a material financial interest in another party to the transaction;
 - 36.5.3 is a director, officer, employee or member of another party (other than a party which is an associated company) who may derive a material financial benefit from the transaction;
 - 36.5.4 is the parent, child or spouse of another party who may derive a material financial benefit from the transaction; or
 - 36.5.5 is otherwise directly or indirectly materially interested in the transaction.
- 36.6 A Director is not interested in a transaction to which the Company is a party if the transaction comprises only the giving by the Company of security to a third party which has no connection with the Director, at the request of the third party, in respect of a debt or obligation of the Company for which the Director or another person has personally assumed responsibility in whole or in part under a guarantee, indemnity or security.
- 36.7 Save as provided in these Articles, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise through the Company. A Director may be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 36.8 A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely:-
- 36.8.1 the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
 - 36.8.2 the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - 36.8.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
 - 36.8.4 any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent. (1%) or more of the issued shares of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances).
- 36.9 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested the Directors may be counted in the quorum for the consideration of such proposals and such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under the provisions of Article 36.7 above) shall be entitled to vote (and be counted in the quorum) in respect of each

resolution except that concerning his own appointment.

- 36.10 If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed.
- 36.11 The Company may by ordinary resolution suspend or relax the provisions of Articles 36.7 and 36.8 above to any extent or ratify any transaction not duly authorised by reason of a contravention of any of the said Articles.
- 36.12 Subject to Article 36.7 above the Directors may exercise the voting power conferred by the share in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them director, managing director, managers or other officer of such company or voting or providing for the payment or remuneration to the directors, managing director, manager or other officer of such company).
- 36.13 A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director on such terms as to tenure of office or otherwise as the Directors may determine.
- 36.14 Subject to due disclosure in accordance with Article 36, no Director or intending Director shall be disqualified by his office from contracting with the Company as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested render the Director liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- 36.15 Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director **PROVIDED THAT** nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.
- 36.16 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a Director, managing director, manager or other officer or member of any such other company.

37 **DISQUALIFICATION AND RETIREMENT OF DIRECTORS**

- 37.1 A Director shall cease to hold office:-
- 37.1.1 if he (not being a person holding for a fixed term an executive office subject to termination if he ceases for any reason to be a Director) resigns his office by written notice signed by him sent to or deposited at the Office;
- 37.1.2 if he shall have absented himself (such absence not being absence with leave or by arrangement with the Board on the affairs of the Company) from meetings of the Board for a consecutive period of twelve months and the Board resolves that his office shall be vacated;
- 37.1.3 if he dies or becomes of unsound mind or incapable;
- 37.1.4 if he becomes insolvent suspends payment or compounds with his creditors;

- 37.1.5 if he is requested to resign by written notice signed by all his co-Directors;
 - 37.1.6 if the Company in general meeting shall declare that he shall cease to be a Director;
 - 37.1.7 if he becomes resident in the United Kingdom and, as a result thereof, a majority of the Directors are resident in the United Kingdom;
 - 37.1.8 if he becomes ineligible to be a Director in accordance with Section 137 of the Law; or
 - 37.1.9 he becomes prohibited from being a Director by reason of any order made under any provisions of any law or enactment.
- 37.2 If the Company in general meeting removes any Director before the expiration of his period of office, it or the Board may appoint another person to be a Director in his stead who shall retain his office so long only as the Director in whose stead he is appointed would have held the same if he had not been removed. Such removal shall be without prejudice to any claims such Director may have for damages for breach of any contract of service between him and the Company.
- 37.3 Each Director shall retire from office at the third annual general meeting after the annual general meeting or general meeting (as the case may be) at which he was previously appointed.
- 37.4 Any Director who has held office with the Company, other than employment or executive office, and who, at the date of the annual general meeting, has held such office for nine years or more, shall be subject to re-appointment at each annual general meeting.
- 37.5 A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or deemed to have been re-appointed under Article 37.6, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
- 37.6 If:
- 37.6.1 at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors is put to the meeting and lost; and
 - 37.6.2 at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 29.1,
- all retiring Directors who stood for re-appointment at that meeting (the **Retiring Directors**) shall be deemed to have been re-appointed as Directors and shall remain in office but the Retiring Directors may only act for the purpose of convening general meetings of the Company and perform such duties as are essential to maintain the Company as a going concern, and not for any other purpose.
- 37.7 The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the meeting referred to in Article 37.6 and they shall retire from office at that meeting. If at the end of any meeting convened under this Article the number of Directors is fewer than any minimum number of Directors required under Article 29.1, the provisions of this Article shall also apply to that meeting.

8 PROCEEDINGS OF DIRECTORS

- 37.8 The Board may meet for the dispatch of business adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman at the meeting shall have a second or casting vote, provided that he is not resident in the United Kingdom. All meetings of Directors shall take place outside the United Kingdom and any decision reached or

resolution passed by the Directors at any meeting held in the United Kingdom or at which a majority of Directors resident in the United Kingdom is present shall be invalid and of no effect.

- 37.9 A Director in communication with one or more other Directors so that each Director participating in the communication can hear or read what is said or communicated by each of the others, is deemed to be present at a meeting with the other Directors so participating and, where a quorum is present, such meeting shall be treated as a validly held meeting of the Board and shall be deemed to have been held in the place where the chairman is present, provided that no directors physically present in the United Kingdom at the time of any such meeting may participate in a meeting by means of video link, telephone conference call or other electronic or telephonic means of communication.
- 37.10 The Board shall also determine the notice necessary for its meetings and the persons to whom such notice shall be given.
- 37.11 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Board.
- 37.12 The Board may elect a chairman of their meetings and determine the period for which he is to hold office. If no such chairman be elected or if at any meeting the chairman be not present within fifteen (15) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 37.13 The Board may delegate any of their powers to committees consisting of such one or more Directors as they think fit provided that all or a majority of members of such committees are resident other than in the United Kingdom. Such committees shall meet only outside of the United Kingdom. No director physically present in the United Kingdom at the time of any such meeting may participate in a meeting by means of a video link, telephone conference call or other electronic or telephone means of communication. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. Subject thereto, this Article 37 shall apply mutatis mutandis to the proceedings of such committees.
- 37.14 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two (2) except that where the minimum number of Directors has been fixed at one a sole Director shall be deemed to form a quorum and provided that if a majority of Directors present are not resident other than in the United Kingdom, the Directors present, irrespective of number, shall not constitute a quorum. For the purposes of this Article an alternate appointed by a Director shall be counted in a quorum at a meeting at which the Director appointing him is not present.
- 37.15 A resolution in writing signed by each Director (or his alternate) entitled to receive notice of a meeting of the Board or by all the members of a committee shall be as valid and effectual as a resolution passed at a meeting of the Board or committee. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee and may be transmitted to the Company by e-mail or facsimile. No such resolution shall be valid if a majority of the Directors sign the resolution in the United Kingdom.

38 EXECUTIVE DIRECTORS

- 38.1 The Board may at any time appoint one or more of their body (other than a Director resident in the United Kingdom) to be holder of any executive office including the office of managing Director on such terms and for such periods as they may determine.
- 38.2 The appointment of any Director to any executive office shall be subject to termination if he ceases from any cause to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 38.3 The Board may entrust to and confer upon a Director holding any executive office any of the powers exercisable by the Board upon such terms and conditions and with such

restrictions as it thinks fit either collaterally with or to the exclusion of their own powers and may at any time revoke withdraw alter or vary all or any of such powers.

39 SECRETARY

- 39.1 A Secretary may be appointed by the Board for such term at such remuneration and upon such conditions as the Board may think fit; and any Secretary may be removed by the Board but without prejudice to any claim which he may have for damages for breach of any contract of service between him and the Company.
- 39.2 A Secretary shall have such duties as may be mandated by the Law and such other duties, responsibilities and powers as shall be agreed by the Board and the Secretary.
- 39.3 Any provision of the Law or these Articles requiring or authorising a thing to be done by a Director and the Secretary shall be satisfied by its being done by the same person acting both as Director and as or in the place of the Secretary.

40 THE SEAL

If the Board determines to maintain a Seal, it shall provide for the safe custody of the Seal which shall only be used by authority of the Board or of a committee and every instrument to which the Seal shall be affixed shall be signed by any such persons as are authorised by the Board in that behalf. The Board may authorise the use of a duplicate or facsimile Seal for use outside Guernsey in such manner as the Board may at its discretion determine.

41 COMMON SIGNATURE

The common signature of the Company may be either:-

- 41.1 the name of the Company with the addition of the signature(s) of one or more of the Directors or officers of the Company authorised generally or specifically by the Board for such purpose, or such other person or persons as the Board may from time to time appoint; or
- 41.2 if the Board resolves that the Company shall have a Seal, it shall be affixed in such manner as these Articles or the Board may from time to time provide.

42 AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the Company (including the Memorandum and these Articles) and any resolutions passed by the Company or the Board and any books records documents and accounts relating to the business of the Company and to certify copies or extracts as true copies or extracts provided that such authentication shall only take place outside the United Kingdom; and where any books records documents or accounts are elsewhere than at the Office the local manager or other Officer of the Company having their custody shall be deemed to be a person appointed by the Board as aforesaid.

43 DIVIDENDS

- 43.1 Subject to compliance with Section 304 of the Law and subject to Article 7, the Board may at any time declare and pay such dividends as appear to be justified by the position of the Company. The Board may also declare and pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates whenever the position in the opinion of the Board so justifies.
- 43.2 The method of payment of dividends shall be at the discretion of the Board.
- 43.3 No dividend shall be paid in excess of the amounts permitted by the Law or approved by the Board.

- 43.4 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall be declared and paid pro rata according to the number of shares held by each Member. For the avoidance of doubt, where there is more than one class of share in issue, dividends declared in respect of any class of share shall be declared and paid pro rata according to the number of shares of the relevant class held by each Member.
- 43.5 The Board may deduct from any dividend payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
- 43.6 The Board may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the liabilities or obligations in respect of which the lien exists.
- 43.7 The Board may retain dividends payable upon shares in respect of which any person is entitled to become a Member until such person has become a Member.
- 43.8 With the sanction of the Company in general meeting by way of a special resolution, any dividend may be paid wholly or in part by the distribution of specific assets. Where any difficulty arises in regard to such distribution the Board may settle the same as it thinks expedient and in particular may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of Members and may vest any such specific assets in trustees for the Members entitled as may seem expedient to the Board.
- 43.9 Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register. Any one of two or more joint holders may give effectual receipts for any dividends, interest or other monies payable in respect of their joint holdings. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means (including, in relation to any dividend or other sum payable in respect of shares held in uncertificated form, by means of a Relevant System in any manner permitted by the rules of the Relevant System concerned) and to or through such person as the holder or joint holders (as the case may be) may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. Any one of two or more joint holders may give effectual receipts for any dividends interest bonuses or other monies payable in respect of their joint holdings.
- 43.10 No dividend or other monies payable on or in respect of a share shall bear interest against the Company.
- 43.11 All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of six (6) years after having been declared shall be forfeited and shall revert to the Company.

44 **SCRIP DIVIDENDS**

- 44.1 The Board may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution (a **Scrip Dividend**) in accordance with the following provisions of this Article 44.
- 44.2 The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting of the Company to be held following the date of the meeting at which the ordinary resolution is passed.

- 44.3 The basis of allotment shall be decided by the Board so that, as nearly as may be considered convenient, the value of the further shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid.
- 44.4 For the purposes of Article 44.3 the value of the further shares shall be calculated by reference to the average of the middle market quotations for a fully paid share of the relevant class, as shown in the Daily Official List of the London Stock Exchange, for the day on which such shares are first quoted **ex** the relevant dividend and the four subsequent dealing days or in such other manner as the directors may decide.
- 44.5 The Board shall give notice to the Members of their rights of election in respect of the Scrip Dividend and shall specify the procedure to be followed in order to make an election.
- 44.6 The dividend or that part of it in respect of which an election for the Scrip Dividend is made shall not be paid and instead further shares of the relevant class shall be allotted in accordance with elections duly made and the Board shall capitalise a sum to the aggregate nominal amount of the shares to be allotted out of such sums available for the purpose as the Directors may consider appropriate.
- 44.7 The further shares so allotted shall rank pari passu in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.
- 44.8 The Board may decide that the right to elect for any Scrip Dividend shall not be made available to Members resident in any territory, where in the opinion of the Board, compliance with local laws or regulations would be impossible or unduly onerous.
- 44.9 The Board may do all acts and things considered necessary or expedient to give effect to the provisions of a Scrip Dividend election and the issue of any shares in accordance with the provisions of this Article and the Law, and may make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of the fractional entitlements accrues to the Company rather than to the Members concerned).
- 44.10 The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election pursuant to this Article 44 is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.
- 44.11 The Board shall not make a Scrip Dividend available unless the Company has sufficient unissued shares and undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend.
- 44.12 For the avoidance of doubt, shares allotted pursuant to this Article 44 in respect of all or part of any dividend shall not be treated as allotted for cash for the purposes of Articles 8.2 and 8.6.

45 **RESERVES**

The Board may, before recommending any dividend, set aside such sums (out of profits or otherwise) as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which such sums may be properly applied and, pending such application, may either be employed in the business of the Company or be invested in such investments as the Board may at any time think fit. The Board may also, without placing the same to reserve, carry forward any profits or other sums which it may think prudent not to distribute.

46 **CAPITALISATION OF PROFITS**

- 46.1 The Company in general meeting may, upon the recommendation of the Board, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss

account or otherwise available for distribution and accordingly that such sums be set free for distribution amongst the Members who would have been entitled thereto if distributed and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares of the Company to be allotted and distributed credited as fully paid to and amongst such Members.

- 46.2 Whenever such resolution shall have been passed, the Board shall make all appropriations and applications of the reserves or profits resolved to be capitalised and all allotments and issues of fully-paid shares and generally shall do all things required to give effect thereto with full power to the Board to make such provision by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and also to authorise any person to enter on behalf of all Members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid of any further shares to which they may be entitled upon such capitalisation or (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 amounts resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

47 **ACCOUNTS AND REPORTS**

- 47.1 The Board shall maintain accounting records and issue reports in accordance with Part XV of the Law.
- 47.2 The Company shall keep accounting records which are sufficient to show and explain its transactions and are such as to:-
- 47.2.1 disclose with reasonable accuracy, at any time, the financial position of the Company at that time; and
 - 47.2.2 enable the Board to ensure that any accounts prepared by the Company are prepared properly and in accordance with any relevant enactment for the time being in force.
- 47.3 The Company's accounting records shall be kept:-
- 47.3.1 at the Office; or
 - 47.3.2 at such other place as the Board thinks fit.
- 47.4 If accounting records are kept at a place outside Guernsey, returns in respect of the business dealt with in the accounting records shall be sent to and kept at a place in Guernsey and those returns shall be such as to:-
- 47.4.1 disclose with reasonable accuracy the financial position of the business in question at intervals of not more than six (6) months; and
 - 47.4.2 enable the Board to ensure that any accounts prepared by the Company are prepared properly and in accordance with any relevant enactment for the time being in force.
- 47.5 Accounting records (and, where returns are sent, returns) shall be kept by the Company for a period of at least six (6) years after the date on which they are made.
- 47.6 Accounting records (and, where returns are sent, returns) shall at all reasonable times be open to inspection by any Director, Secretary or officer of the Company at the place at which they are kept.
- 47.7 Subject to Section 244 of the Law, the Board of the Company shall prepare accounts of the Company for each of the Company's financial years.

- 47.8 The accounts shall include:-
- 47.8.1 a profit and loss account; and
 - 47.8.2 a balance sheet.
- 47.9 The accounts shall:-
- 47.9.1 give (and state that they give) a true and fair view;
 - 47.9.2 be in accordance (and state that they are in accordance) with generally accepted accounting principles (which may for the avoidance of doubt include international accounting standards) and state which principles have been adopted; and
 - 47.9.3 comply (and state that they comply) with any relevant enactment for the time being in force.
- 47.10 The accounts shall be approved by the Board and signed by at least one (1) Director.
- 47.11 If the Company is a holding company the Directors may, if they think fit, prepare consolidated accounts for that Company and all or any of its subsidiaries in accordance with Section 244 of the Law.
- 47.12 The Board shall prepare a Directors' report for each of the Company's financial years.
- 47.13 The Directors' report must state the principal activities (if any) of the Company in the course of the financial year and may be in summary form.
- 47.14 The directors of associated companies may, if they think fit, combine their Directors' reports, and if the combined report states the principal activities of all associated companies, the requirements of this Article are satisfied.
- 47.15 This Article applies to the Company unless it is exempt from audit in accordance with Section 256 of the Law for the financial year in question.
- 47.16 The Directors' report must contain a statement to the effect that, in the case of each of the persons who are Directors at the time the report is approved:-
- 47.16.1 so far as the Director is aware, there is no relevant audit information of which the Auditors are unaware; and
 - 47.16.2 he has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Auditors are aware of that information.
- 47.17 A Director is regarded as having taken all the steps that he ought to have taken as a Director in order to do the things mentioned in Article 47.16.2 if he has:-
- 47.17.1 made such enquiries of his fellow Directors and of the Auditors for that purpose; and
 - 47.17.2 taken such other steps (if any) for that purpose, as are required by his duty as a Director of the Company to exercise reasonable care, skill and diligence.
- 47.18 In this Article **relevant audit information** means information needed by the Auditors in connection with preparing their report.
- 47.19 Should the Members of the Company elect to exempt the Company from audit in accordance with Section 256 of the Law, the Directors' report must state that its accounts

are exempt from the requirement to be audited and have not been audited.

47.20 The Company must send to each Member of the Company within twelve (12) months after the end of the financial year to which they relate a copy of:-

47.20.1 the accounts;

47.20.2 the Directors' report; and

47.20.3 the Auditors' report (where one is required under Part XVI of the Law).

47.21 The Company must send to a Member or officer of the Company within seven (7) days after the date on which the Member or officer makes such a request, provided that he has not previously made such a request within that financial year a copy of the most recent:-

47.21.1 accounts;

47.21.2 Directors' report; and

47.21.3 Auditors' report (where one is required under Part XVI of the Law).

47.22 If the Company holds a general meeting under Section 199 of the Law, it shall lay before that meeting, copies of its most recent:-

47.22.1 accounts;

47.22.2 Directors' report; and

47.22.3 Auditors' report (where one is required under Part XVI of the Law).

48 **AUDIT**

48.1 Auditors shall be engaged in accordance with Part XVI of the Law.

48.2 A Director shall not be capable of being appointed as an Auditor.

48.3 A person other than a retiring Auditor shall not be capable of being appointed Auditor at an ordinary general meeting unless notice of intention to nominate that person as Auditor has been given by a Member to the Company not less than fourteen days before the meeting and the Board shall send a copy of any such notice to the retiring Auditor and shall give notice to the Members not less than seven days before the meeting provided that if after notice of the intention to nominate an Auditor has been so given a meeting is called for a date fourteen days or less after such notice has been given the requirements of this provision as to time in respect of such notice shall be deemed to have been satisfied and the notice to be sent or given by the Company may instead of being sent or given within the time required by this Article be sent or given at the same time as the notice of the meeting.

48.4 The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditors (if any) may act.

48.5 The remuneration of the Auditors shall be fixed by the Company in general meeting or in such manner as the Company may determine except that the remuneration of any Auditors appointed by the Directors shall be fixed by the Directors, if the Members by ordinary resolution so resolve.

48.6 Every Auditor shall have a right of access at all times to the books accounts and documents of the Company and as regards books accounts and documents of which the originals are not readily available shall be entitled to rely upon copies or extracts certified by an officer of the Company and shall be entitled to require from the Board such information and explanations as may be necessary for the performance of their duties and

the Auditors shall make a report to the Members on the accounts examined by them and the report shall state whether in their opinion the accounts give a true and fair view of the state of the Company's affairs and whether they have been prepared in accordance with the Law.

48.7 Any Auditor shall be eligible for re-election.

49 **NOTICES**

49.1 A notice or other communication may be given by the Company to any Member either personally or by sending it by prepaid post addressed to such Member at his registered address (or, subject to Article 49.8, in electronic form) or if he desires that notices shall be sent to some other address or person to the address or person nominated for such purpose.

49.2 Any notice or other document, if served by post (including registered post, recorded delivery service or ordinary letter post), shall be deemed to have been served 48 hours after the time when the letter containing the same is posted and in providing such service it shall be sufficient to prove that the letter containing the notice or document was properly posted.

49.3 Any notice or other document that may be sent by the Company by courier will be deemed to be received 24 hours after the time at which it was despatched.

49.4 Service of a document sent by post shall be proved by showing the date of posting, the address thereon and the fact of pre-payment.

49.5 Any notice or other document, if transmitted by electronic communication, facsimile transmission or other similar means which produce or enable the production of a document containing the text of the communication, shall, if so transmitted, be deemed to be received at the expiration of 24 hours after the time it was sent.

49.6 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share.

49.7 Any notice or other communication sent to the address of any Member shall, notwithstanding the death, disability or insolvency of such Member and whether the Company has notice thereof, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder and such service shall, for all purposes, be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in any such share.

49.8 All Members shall be deemed to have agreed to accept communication from the Company by electronic means in accordance with Sections 524 and 526 and Schedule 3 of the Law unless a Member notifies the Company otherwise. Notice under this Article must be in writing and signed by the Member and delivered to the Company's Office or such other place as the Board directs. A Member shall be entitled to require the Company to send him a version of a document or information in hard copy form.

50 **WINDING UP**

50.1 The Company shall be wound up in any of the circumstances specified in the Law and assets available for distribution to Members shall, subject to any special terms of issue, be distributed according to the number of shares held by each Member.

50.2 If the Company is wound up whether voluntarily or otherwise the Liquidator may with the sanction of a special resolution divide among the Members in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.

50.3 If any of the securities or other assets to be divided as aforesaid involve a liability to calls

or otherwise any person entitled under such division to any of the said assets may within fourteen (14) clear days after the passing of the special resolution, by notice in writing, direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable, act accordingly.

51 **DISCLOSURE OF THIRD PARTY INTERESTS IN SHARES**

51.1 The Directors shall have power by notice in writing to require any Member to disclose to the Company the identity of any person other than the Member (an interested party) who has any interest in the shares held by the Member and the nature of such interest.

51.2 Any such notice shall require any information in response to such notice to be given in writing within the prescribed period which shall be twenty-eight (28) days after the service of the notice, or fourteen (14) days if the shares concerned represent 0.25 per cent. or more in value of the issued shares of the relevant class, or such other reasonable time period as the Directors may determine.

51.3 The Company shall maintain a register of interested parties and whenever in pursuance of a requirement imposed on a shareholder as aforesaid the Company is informed of an interested party the identity of the interested party and the nature of the interest shall be promptly inscribed therein together with the date of the request.

51.4 The Directors may be required to exercise their powers under Article 51.1 on the requisition of Members (excluding the holders of treasury shares) of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid up capital of the Company as carries at that date the right of voting at general meetings of the Company.

51.5 The requisition must:-

51.5.1 state that the requisitionists are requiring the Company to exercise its powers under this Article;

51.5.2 specify the manner in which they require those powers to be exercised; and

51.5.3 give reasonable grounds for requiring the Company to exercise those powers in the manner specified,

and must be signed by the requisitionists and deposited at the Office.

51.6 The requisition may consist of several documents in like form each signed by one or more requisitionists.

51.7 On the deposit of a requisition complying with this Article 51 it is the Directors' duty to exercise their powers under Article 51.1 in the manner specified in the requisition.

51.8 If any Member has been duly served with a notice given by the Directors in accordance with Article 51.1 and is in default for the prescribed period in supplying to the Company the information thereby required the Directors may in their absolute discretion at any time thereafter serve a notice (a **direction notice**) upon such Member as follows:-

51.8.1 a direction notice may direct that, in respect of:-

(a) the shares comprising the shareholder account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the **default shares**); and

(b) any other shares held by the Member;

the Member shall not be entitled to attend or vote (either personally or by representative or by proxy) at any General Meeting or meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to any such meetings; and

51.8.2 where the default shares represent at least 0.25 per cent. of the class of shares concerned, then the direction notice may additionally direct that:-

- (a) in respect of the default shares, any dividend or part thereof which would otherwise be payable on such shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the Member;
- (b) no transfer other than an approved transfer (as set out in Article 51.11.3 of any of the shares held by such Member shall be registered unless:-
 - (i) the Member is not himself in default as regards supplying the information requested; and
 - (ii) the transfer is of part only of the Member's holding and when presented for registration is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but failure or omission by the Company to do so shall not invalidate such notice.

51.9 If shares are issued to a Member as a result of that Member holding other shares in the Company and if the shares in respect of which the new shares are issued are default shares in respect of which the Member is for the time being subject to particular restrictions, the new shares shall on issue become subject to the same restrictions whilst held by that Member as such default shares. For this purpose, shares which the Company procures to be offered to Members 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 or Guernsey) shall be treated as shares issued as a result of a Member holding other shares in the Company.

51.10 Any direction notice shall have effect in accordance with its terms for as long as the default, in respect of which the direction notice was issued, continues but shall cease to have effect in relation to any shares which are transferred by such Member by means of an approved transfer as set out in Article 51.11.3. As soon as practical after the direction notice has ceased to have effect (and in any event within seven days thereafter) the Directors shall procure that the restrictions imposed by Article 51.8 and 51.9 above shall be removed and that dividends and other monies withheld pursuant to Article 51.8.2(a) above are paid to the relevant Member.

51.11 For the purpose of this Article:-

51.11.1 a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification which either (a) names such person as being so interested or (b) fails to establish the identities of those interested in the shares and (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

51.11.2 the prescribed period in respect of any particular Member is twenty-eight (28) days from the date of service of the said notice in accordance with Article 51.1 except where the default shares represent at least 0.25 per cent. of the class of shares concerned in which case such period shall be 14 days;

51.11.3 a transfer of shares is an approved transfer if:-

- (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a public offer made to acquire all the issued shares in the capital of the Company not already owned by the offeror or Connected Person of the offeror in respect of the Company; or
- (b) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the Member and with other persons appearing to be interested in such shares; or
- (c) the transfer results from a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000 of the United Kingdom) or any stock exchange outside the United Kingdom on which the Company's shares are listed or normally traded.

For the purposes of this sub-paragraph, any person who is a Connected Person shall be included amongst the persons who are connected with the Member or any person appearing to be interested in such shares.

51.12 Any shareholder who has given notice of an interested party in accordance with Article 51.2 who subsequently ceases to have any party interested in his shares or has any other person interested in his shares shall notify the Company in writing of the cessation or change in such interest and the Directors shall promptly amend the register of interested parties accordingly.