

# MOURANT OZANNES

THE COMPANIES (GUERNSEY) LAW, 2008,  
as amended

COMPANY LIMITED BY SHARES

MEMORANDUM

and

ARTICLES OF INCORPORATION

of

BMO REAL ESTATE INVESTMENTS LIMITED  
(Formerly F&C UK Real Estate Investments Limited)

Registered this 10<sup>th</sup> day of May 2004

Memorandum as amended by Special Resolution  
dated 14 November 2014.

Articles of Incorporation amended and restated on  
30 November 2016.



**Mourant Ozannes**

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Cayman | **Guernsey** | Jersey | London

**THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF INCORPORATION**

**of**

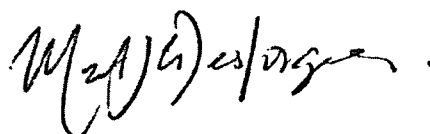
**BMO REAL ESTATE INVESTMENTS LIMITED  
(Formerly F&C UK Real Estate Investments Limited)**

- 1      **The name of the Company is F&C UK Real Estate Investments Limited**
- 2      **The Registered Office of the Company will be situate in Guernsey.**
- 3      **The objects and powers of the Company are unrestricted.**
- 4      **The liability of the Members is limited to the amount (if any) for the time being unpaid on the shares held by each of them respectively.**
- 5      **The Company is a non-cellular company.**

## Certificate of Change of Name

I hereby certify that on Monday, April 29, 2019 pursuant to section 25 of the Companies (Guernsey) Law 2008 F&C UK Real Estate Investments Limited, registration number 41870, changed its name to BMO Real Estate Investments Limited.

**Signature:**



Mat Desforges  
Registrar

Tuesday, April 23, 2019



# Guernsey Registry

Guernsey Registry

## Certificate Of Change of Name

Market Building  
PO Box 451, Fountain Street  
St. Peter Port, Guernsey,  
GY1 3GX  
Tel: +44 1481 743800  
Fax: +44 1481 743801  
Email: [enquiries@guernseyregistry.com](mailto:enquiries@guernseyregistry.com)  
[www.guernseyregistry.com](http://www.guernseyregistry.com)



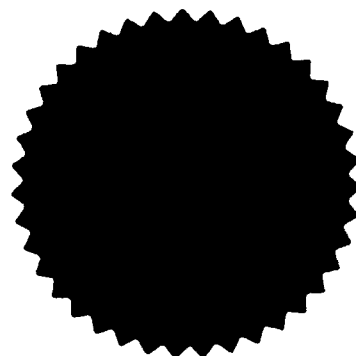
COMMERCE AND EMPLOYMENT  
A STATES OF GUERNSEY GOVERNMENT DEPARTMENT

I hereby certify that on Thursday, April 11, 2013 pursuant to section 25 of the Companies (Guernsey) Law 2008 IRP Property Investments Limited, registration number 41870, changed its name to F&C UK Real Estate Investments Limited

Signature:

Alan Bougourd  
Registrar

Thursday, April 11, 2013



**THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED**

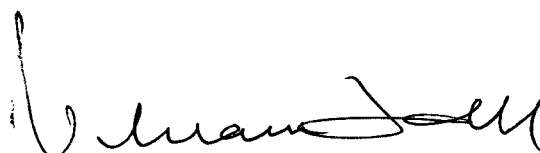
**COMPANY LIMITED BY SHARES**

**ARTICLES OF INCORPORATION**

**BMO REAL ESTATE INVESTMENTS LIMITED  
(Formerly F&C UK Real Estate Investments Limited)**

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**THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF INCORPORATION**

**BMO REAL ESTATE INVESTMENTS LIMITED  
(Formerly F&C UK Real Estate Investments Limited)**

**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:-

<b>Words</b>	<b>Meanings</b>
<b>accounts</b>	means either individual accounts prepared in accordance with Section 323 of the Law or consolidated accounts prepared in accordance with Section 244 of the Law.
<b>Articles</b>	these Articles of Incorporation as now framed and at any time altered.
<b>at any time</b>	at any time or times and includes for the time being and from time to time.
<b>Auditors</b>	the auditors, if any, engaged in accordance with the Law and these Articles.
<b>Board</b>	the Directors at any time or the Directors present at a duly convened meeting at which a quorum is present.
<b>clear days</b>	in relation to the period of notice means that period excluding the day when notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
<b>CRESTCo</b>	CRESTCo Limited, the operator of the CREST UK system.
<b>CREST Guernsey Requirements</b>	Rule 8 and such other of the rules and requirements of CRESTCo as may be applicable to issuers as from time to time specified in the CREST Manual.
<b>CREST Manual</b>	the document entitled "CREST Reference Manual" issued by CRESTCo.
<b>CREST Rules</b>	the Rules from time to time issued by CRESTCo governing the admission of securities to and the operation of the CREST UK system.
<b>CREST UK system</b>	the facilities and procedures for the time being of the relevant system of which CRESTCo has been approved as Operator pursuant to the UK Uncertificated Securities Regulations 2001.
<b>dematerialised instruction</b>	an instruction sent or received by means of the



	CREST UK system.
<b>Director</b>	includes an Alternate Director appointed in accordance with Article 29.
<b>dividend</b>	include bonus.
<b>executors</b>	includes administrators.
<b>Gross Assets of the Group</b>	the aggregate value of the assets of the Group.
<b>Group</b>	the Company any holding company of the Company and any subsidiary or subsidiary undertaking of such holding company and any subsidiary or subsidiary undertaking of the Company.
<b>F &amp; C</b>	F & C Asset Management plc.
<b>financial year</b>	<p>(a) firstly, the period beginning on the date on which a Company was incorporated and ending within eighteen (18) 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>
<b>Law</b>	the Companies (Guernsey) Law, 2008, as amended extended or replaced and any Ordinance statutory instrument or regulation made thereunder.
<b>Liquidator</b>	includes joint Liquidators.
<b>Member</b>	means a registered holder of a share in the capital of the Company.
<b>Memorandum</b>	the Memorandum of Incorporation of the Company.
<b>month</b>	Calendar Month.
<b>Office</b>	the registered office at any time of the Company.
<b>ordinary resolution</b>	a resolution passed by a simple majority in accordance with Section 176 of the Law.
<b>Ordinary Shares</b>	shares of £0.01 each in the capital of the Company designated as Ordinary Shares.
<b>probate</b>	includes Letters of Administration.
<b>proxy</b>	includes attorney.
<b>Register</b>	the Register of Members kept pursuant to the Law.
<b>Seal</b>	the Common Seal of the Company.
<b>Secretary</b>	includes a temporary or assistant Secretary and any person appointed by the Board to perform any of the duties of Secretary.
<b>Shares</b>	any shares from time to time in the capital of the Company.
<b>special resolution</b>	a resolution passed by a majority of not less than 75 per cent. in accordance with Section 178 of the Law.
<b>Sponsor</b>	a company, person or firm admitted by CRESTCo to act as Sponsor under the CREST Rules.
<b>unanimous resolution</b>	a resolution agreed to by every Member of the

	Company in accordance with Section 180 of the Law.
<b>uncertificated</b>	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; and "certificated unit of a security" means a unit of a security which is not an uncertificated unit.
<b>United Kingdom</b>	Great Britain and Northern Ireland.
<b>waiver resolution</b>	a resolution passed by a majority of not less than 90 per cent. in accordance with Section 179 of the Law.
<b>Working Day</b>	a day which is not a Saturday, a Sunday, Christmas Day or Good Friday or a day appointed as a public holiday by Ordinance of the States of Guernsey.

Any reference to a share 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.

A reference to a "subsidiary" or a "holding company" shall be construed in accordance with Section 531 of the Law.

Expressions referring to writing include any 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, 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 whether commenced or not.

### **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. The Board may permit the holding of shares in uncertificated form and the transfer of title to shares in that class by means of a relevant system and may determine that any class of shares shall cease to be a participating security for the purposes of any regulations issued under the Law authorising transfers of shares in de-materialised form.

### **6. ISSUE OF SHARES**

6.1. The unissued shares shall be at the disposal of the Board which is authorised to 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:-

- (a) 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;
- (b) 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;
- (c) fractions of shares may be issued or purchased by the Company; and
- (d) subject to Article 5.1, the Company may issue shares of no par value or shares with a par value or a combination of both.

## **7. REPURCHASE OF SHARES**

- 7.1. 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.
- 7.2. 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.

## **8. COMMISSIONS**

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.

## **9. VARIATION OF CLASS RIGHTS**

- 9.1. 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.
- 9.2. The quorum for a variation of class rights meeting is:-
  - 9.2.1. 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;
  - 9.2.2. for an adjourned meeting, one (1) person holding shares of the class in question; or
  - 9.2.3. where the class has only one Member, that Member.
- 9.3. For the purposes of Article 9.2 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.
- 9.4. At a variation of class rights meeting, any holder of shares of the class in question present may demand a poll,
- 9.5. For the purposes of this Article:-
  - 9.5.1. 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
  - 9.5.2. references to the variation of rights attached to a class of shares include references to their abrogation.
- 9.6. 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.

## **10. 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 20 through 25 shall apply mutatis mutandis to any class meeting and to the voting on any matter by the Members of any such class.

## **11. TRUSTS**

- 11.1. 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 (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.

- 11.2. 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 an interest in the shares held by the Member and the nature of such interest.
- 11.3. Any such notice shall require any information in response to such notice to be given in writing within such reasonable time as the Directors shall determine.
- 11.4. The Company shall maintain at its Office, a register of interested parties to which the provisions of Section 123 of the Law shall apply mutatis mutandis as if the register of interested parties was the Register of Members 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.
- 11.5. The Directors may be required to exercise their powers under Article 11.2 on the requisition of Members 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.
- 11.6. The requisition must:-
  - 11.6.1. state that the requisitionists are requiring the Company to exercise its powers under this Article;
  - 11.6.2. specify the manner in which they require those powers to be exercised;
  - 11.6.3. give reasonable grounds for requiring the Company to exercise those powers in the manner specified; and
  - 11.6.4. must be signed by the requisitionists and deposited at the Office.
- 11.7. The requisition may consist of several documents in like form each signed by one or more requisitionists.
- 11.8. On the deposit of a requisition complying with this section it is the Directors' duty to exercise their powers under Article 11.2 in the manner specified in the requisition.
- 11.9. If any Member has been duly served with a notice given by the Directors in accordance with Article 11.2 and is in default for the prescribed period in supplying to the Company the information thereby required, then the Directors may in their absolute discretion at any time thereafter serve a notice (a "direction notice") upon such Member as follows:-
  - 11.9.1. a direction notice may direct that, in respect of:-
    - 11.9.2. the shares comprising the shareholder account in the Register which comprises or includes the shares in relation to which the default occurred (or the relevant number as appropriate of such shares being the "default shares"); and
    - 11.9.3. any other shares held by the Member,

the Member shall have no right to vote at a General Meeting or meeting of the holders of any class of shares of the Company either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company or of the holders of any class of shares of the Company; and
- 11.10. 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:-
  - 11.10.1. 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;
  - 11.10.2. no transfer other than an approved transfer (as set out in Article 11.13(c)) of any of the shares held by such Member shall be registered unless:-
    - (a) the Member is not himself in default as regards supplying the information requested; and
    - (b) 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 is 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.
- 11.11. 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.

- 11.12. 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 11.13(c). 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 Articles 11.9, 11.10 and 11.11 above shall be removed and that dividends and other monies withheld pursuant to Article 11.10.1 above are paid to the relevant Member.

- 11.13. For the purpose of this Article:-

11.13.1. 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;

11.13.2. the prescribed period in respect of any particular Member is 28 days from the date of service of the said notice in accordance with Article 11.2 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 fourteen days; and

11.13.3. a transfer of shares is an approved transfer if but only 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 referred to in Article 32.2 in relation to Directors shall, mutatis mutandis, be included amongst the persons who are connected with the Member or any person appearing to be interested in such shares.

- 11.14. Any shareholder who has given notice of an interested party in accordance with Article 11.3 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.

- 11.15. The provisions of this Article are without prejudice to Sections 488 and 489 of the Law, when applicable.

## **12. CERTIFICATES**

- 12.1. Save in relation to shares held in uncertificated form, every Member shall be entitled:-

12.1.1. without payment to one certificate for all his shares of each class and when part only of the shares comprised in a certificate is sold or transferred to a balance certificate; or

12.1.2. upon payment of such sum as the Board may determine to several certificates each for one or more shares of any class.

- 12.2. Every certificate shall be issued within one month after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) and shall specify the shares to which it relates and the amount paid up and the distinguishing numbers (if any).

- 12.3. 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.

- 12.4. The Company shall not be bound to register more than four persons as the joint holders of any share or shares and, 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.

- 12.5. If a share certificate be defaced, lost or destroyed it may be replaced or renewed without charge (other than exceptional out of pocket expenses) on such terms (if any) as to evidence and indemnity as the Board thinks fit.

## **13. LIEN**

- 13.1. The Company shall have a first and paramount lien (extending to all dividends payable) on all shares (not being fully paid) for all moneys whether presently payable or not called or payable at a fixed time in respect of those

shares and for all those 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).

- 13.2. For the purpose of enforcing such lien the Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer to the purchaser thereof the shares so sold.
- 13.3. The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in relation to the sale.

#### **14. CALLS ON SHARES**

- 14.1. The Board may at any time make on at least fourteen (14) clear days' notice, calls upon the Members in respect of any moneys 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.
- 14.2. Joint holders shall be jointly and severally liable to pay calls,
- 14.3. 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.
- 14.4. 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.
- 14.5. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him beyond the sums actually called up thereon as payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may (until the same would, but for such advance, become presently payable) pay interest at such rate as the Member paying such sum and the Directors agree upon **PROVIDED THAT** any amount paid up in advance of calls shall not entitle the holder of the shares upon which such amount is paid to participate in respect thereof in any dividend until the same would but for such advance become presently payable.
- 14.6. The Board may on an issue of shares differentiate between holders as to amount of calls and times of payment.

#### **15. FORFEITURE AND SURRENDER OF SHARES**

- 15.1. 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.
- 15.2. 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.
- 15.3. 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.
- 15.4. 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.
- 15.5. A person whose shares have been forfeited shall cease to be a Member in respect of those shares but shall

notwithstanding remain liable to pay to the Company all moneys 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.

- 15.6. 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.
- 15.7. 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.
- 15.8. 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.
- 15.9. 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.

## **16. REGISTER OF MEMBERS**

- 16.1. 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.
- 16.2. 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.
- 16.3. The Register may be closed during such periods as the Board thinks fit not exceeding in all thirty (30) days in any year.

## **17. TRANSFER AND TRANSMISSION OF SHARES**

- 17.1. 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. If they do so, Articles 17.2 and 17.3 shall commence to have effect immediately prior to the time at which CRESTCo admits the class to settlement by means of the CREST UK system,
- 17.2. In relation to any class of shares which, for the time being, CRESTCo 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:-
  - 17.2.1. the holding of shares of that class in uncertificated form;
  - 17.2.2. the transfer of title to shares of that class by means of the CREST UK system; or
  - 17.2.3. the CREST Guernsey Requirements.
- 17.3. Without prejudice to the generality of Article 17.2 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:-
  - 17.3.1. such securities may be issued in uncertificated form in accordance with and subject as provided in the CREST Guernsey Requirements;
  - 17.3.2. 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;
  - 17.3.3. 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;
  - 17.3.4. 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;
  - 17.3.5. the Company shall comply in all respects with the CREST Guernsey Requirements including, without limitation, CREST Rules 21 and 22;
  - 17.3.6. 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;
  - 17.3.7. the permitted number of joint holders of a share shall be four (4);
  - 17.3.8. 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 CRESTCo 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;

- 17.3.9. where a dematerialised instruction is expressed to have been sent on behalf of a person by a Sponsor or by CRESTCo:-
  - (a) the person on whose behalf the instruction is expressed to have been sent shall not be able to deny to the addressee:-
  - (b) that the instruction was sent with his authority; or
  - (c) that the information contained in it is correct;
- 17.3.10. the Sponsor or CRESTCo, as the case may be, shall not be able to deny to the addressee:-
  - (a) that he has authority to send the dematerialised instruction; or
  - (b) that he has sent the dematerialised instruction;
- 17.3.11. 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:-
  - (a) that the information contained in the instruction is correct; or
  - (b) that he has sent it;
- 17.3.12. 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 17.3.12 and 17.3.13 accept that at the time when it was sent:-
  - (a) the information contained in the instruction was correct;
  - (b) the user or authorised operator identified in the instruction as having sent the instruction did send it; and
  - (c) if the instruction was expressed to have been sent on behalf of a person, it was sent with the authority of that person;
- 17.3.13. an addressee shall not be allowed to accept any of the matters specified in Article 17.3.11 where, at the time when he received the dematerialised instruction, 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:-
  - (a) that any information contained in it was incorrect;
  - (b) that the user or CRESTCo expressed to have sent the instruction did not send it; or
  - (c) if the instruction was expressed to have been sent on behalf of a person, that the person had not given to CRESTCo or the Sponsor identified in the instruction as having sent it his authority to send the instruction on his behalf;
- 17.3.14. an addressee shall not be allowed to accept any of the matters specified in Article 17.3.11 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:-
  - (a) he had actual notice from CRESTCo of any of the matters specified in Article 17.3.12; and
  - (b) the instruction was an instruction from CRESTCo 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;
- 17.3.15. 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 17.3.11 if at the time when he received the actual notice it was not practicable for him to halt his processing of the instruction;
- 17.3.16. a person who is permitted by Articles 17.3.11 or 17.3.14 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.
- 17.3.17. except as provided in Article 17.3.15, this Article does not affect any liability of a person for causing or



permitting a dematerialised instruction:-

- (a) to be sent without authority;
- (b) to contain information that is incorrect; or
- (c) to be expressed to have been sent by a person who did not send it.

- 17.4. Articles 17.3.14 to 17.3.17 are to be construed in accordance with the CREST Manual.
- 17.5. Words and expressions not specifically defined in Articles 17.1 to 17.4 shall bear the same meaning as those words and expressions defined in the CREST Manual.
- 17.6. Subject to such of the restrictions of these Articles as may be applicable:-
- 17.6.1. 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;
- 17.6.2. 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
- 17.6.3. 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.
- 17.7. These Articles are subject to, and do not limit or restrict the Company's powers to transfer shares in accordance with the Uncertificated Securities (Enabling Provisions) (Guernsey) Law, 2005.
- 17.8. Every instrument of transfer of a certificated share shall be left at the Office or such other place as the Board may prescribe with the certificate 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. A new certificate shall be delivered free of charge to the transferee after the transfer is completed and registered on his application and when necessary a balance certificate shall be delivered if required by him in writing.
- 17.9. The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share which is not fully paid or on which the Company has a lien, provided, in the case of a listed 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 which is prohibited by Article 11 and may also refuse to register a transfer of shares unless:-
- 17.9.1. it is in respect of only one class of shares;
- 17.9.2. it is in favour of a single transferee or not more than four joint transferees; and
- 17.9.3. in the case of certificated shares, it is delivered for registration to the Company's Registered Office or such other place as the Board may decide, accompanied by the certificate 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.
- 17.10. 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 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 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.
- 17.11. 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.
- 17.12. 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.
- 17.13. No fee shall be payable to the Company in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, instruction or other document relating to or affecting the title to any shares,
- 17.14. The Company shall keep the Register in accordance with the Law. The Register may be closed during such periods as the Board think fit not exceeding in all thirty days in any year.
- 17.15. 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.

## **18. UNTRACED SHAREHOLDERS**

- 18.1. 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:-
- 18.1.1. 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;
  - 18.1.2. 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;
  - 18.1.3. 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
  - 18.1.4. notice shall have been given to the stock exchanges on which the Company is listed, if any.
- 18.2. 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.
- 18.3. 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 (90) 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.

## **19. ALTERATION OF CAPITAL**

- 19.1. Subject to Article 5, 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.
- 19.2. Unless the Company shall resolve 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,
- 19.3. The Company before the issue of any new shares may by ordinary resolution resolve that all or some of them shall be offered to the Members (other than the Company itself where it holds its own shares as treasury shares) in proportion to their existing shares at such price as the Company or the Board may fix and such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer, if not accepted will be deemed to be declined, and after the expiration of such period or on the receipt of an intimation from the Member that he declines the Board may offer the same on similar terms to such of the other shareholders as they may select including the Directors or dispose of them in such manner as they think fit. For the purpose of giving effect to this Article the Board shall be entitled to disregard fractions. In the absence of any determination or so far as the same shall not extend new shares may be dealt with as if they formed part of the original capital and shall be subject to these Articles.
- 19.4. Subject as provided elsewhere in these Articles, the Company may by ordinary resolution:-
- 19.4.1. consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
  - 19.4.2. subject to Article 19.5, subdivide all or any of its shares into shares of smaller amount than is fixed by the Memorandum provided however that in subdivision the proportion between the amount paid and the amount if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that the resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from subdivision one or more of the shares may have such preferred deferred or other rights over the others as the Company has power to attach to unissued or new shares;
  - 19.4.3. cancel any 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 authorised share capital (if such has been specified) by the amount of the shares so cancelled;
  - 19.4.4. 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;

19.4.5. 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; and

19.4.6. convert shares into stock and vice versa.

19.5. In any subdivision under Article 19.4, 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.

19.6. The Board on any consolidation of shares may deal with fractions of shares in any manner.

19.7. 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.

## **20. GENERAL MEETINGS**

20.1. 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 such annual general meeting shall be laid copies of the Company's most recent accounts, director's 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. General meetings shall be held in Guernsey or elsewhere.

20.2. 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.

20.3. 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.

20.4. 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.

20.5. The Board may whenever it thinks fit and shall on the requisition of Members who hold more than ten per cent. (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.

20.6. The requisition shall be dated and shall state the object of the meeting and shall be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more of the requisitionists.

20.7. If the Board does not proceed to cause a meeting to be held within twenty-one (21) days from the date of the requisition being so deposited the requisitionists or a majority of them in value may themselves convene the meeting.

20.8. Any meeting convened by requisitionists shall be convened in the same manner (as nearly as possible) as that in which meetings are convened by the Board.

## **21. NOTICE OF GENERAL MEETINGS**

21.1. A general meeting of the Company (other than an adjourned meeting) must be called by notice of at least fourteen (14) clear days.

21.2. A general meeting may be called by shorter notice than otherwise required if all the Members entitled to attend and vote so agree.

21.3. Notices and other documents may be sent in electronic form or published on a website in accordance with Section 208 of the Law.

21.4. Notice of a general meeting of the Company must be sent to:-

21.4.1. every Member entitled to attend and vote thereat;

21.4.2. every Director; and

21.4.3. every Alternate Director registered as such.

21.5. In Article 21.4.1, the reference to Members includes only persons registered as a Member.

21.6. Notice of a general meeting of a company must:-

21.6.1. state the time and date of the meeting;

- 21.6.2. state the place of the meeting;
- 21.6.3. specify any special business to be put to the meeting (as defined in Article 22.1);
- 21.6.4. 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;
- 21.6.5. 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
- 21.6.6. 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.
- 21.7. Notice of a general meeting must state the general nature of the business to be dealt with at the meeting.
- 21.8. 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.
- 21.9. 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.
- 21.10. 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:-
  - 21.10.1. by notice in La Gazette Officielle, or
  - 21.10.2. in any other manner deemed appropriate by the Board.
- 21.11. 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.
- 21.12. In every notice calling a meeting of the Company there must appear a statement informing the Member of:-
  - 21.12.1. his rights to appoint a proxy under these Articles and Section 222 of the Law; and
  - 21.12.2. the right to appoint more than one proxy.
- 21.13. 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) passed or proceeding at any meeting.

## **22. PROCEEDINGS AT GENERAL MEETINGS**

- 22.1. 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 Directors and appoint Auditors in the place of those retiring, to fix the remuneration of the Directors and Auditors, to sanction or declare dividends, 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.
- 22.2. The quorum for a general meeting shall be two (2) or more Members holding five per cent. (5%) or more of the voting rights applicable at such meeting, such Members (other than the Company itself where it holds its own shares as treasury shares) present in person or by proxy.
- 22.3. 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 seven (7) clear days at the same time and place or to such other day and at such other time and place as the Board may determine and (subject to Article 22.8) no notice of adjournment need be given (or if that day is not a business day in the location of the meeting, to the next business day). On the resumption of an adjourned meeting, those Members present (other than the Company itself where it holds its own shares as treasury shares) in person or by proxy shall constitute the quorum.
- 22.4. The Chairman (if any) or, if absent, the Deputy Chairman (if any) of the Board or, failing him, some other Director nominated by the Directors shall preside as Chairman at every general meeting of the Company, but if at any meeting none of the Chairman nor the Deputy Chairman nor such other Director be present within fifteen (15) minutes after the time appointed for holding the meeting, or if none of them be willing to act as Chairman, the Directors present shall choose some Director present to be Chairman, or if no Directors be present, or If all the Directors present decline to take the chair the Members present shall choose some Member present to be Chairman.
- 22.5. 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.
- 22.6. 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.
- 22.7. 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.

- 22.8. 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 at any time and to any place. When a meeting is adjourned for more than fourteen (14) 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 adjournment 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.
- 22.9. 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:-
- 22.9.1. by the Chairman; or
- 22.9.2. by a Member or Members (other than the Company itself where it holds its own shares as treasury shares) representing not less than 10 per cent. of the voting rights of all the Members having the right to vote on the resolution; or
- 22.9.3. by not less than five (5) Members (other than the Company itself where it holds its own shares as treasury shares) having the right to vote on the resolution,
- the demand for a poll may be withdrawn.
- 22.10. 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.
- 22.11. 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.
- 22.12. If a poll is duly demanded, it shall be taken in such manner and at such place as the Chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may, in the event of a poll appoint scrutineers and may adjourn the meeting to same place and time fixed by him for the purpose of declaring the result of the poll.
- 22.13. A poll demanded on the election of a Chairman and a poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded.
- 22.14. In case of an equality of votes on a poll the Chairman shall have a second or casting vote.

### **23. VOTES OF MEMBERS**

- 23.1. Subject to Article 11.1 and to any special rights or restrictions for the time being attached to any class of share:-
- 23.1.1. on a show of hands every Member (other than the Company itself where it holds its own shares as treasury shares) present in person or by proxy shall have one vote; and
- 23.1.2. on a poll every Member (other than the Company itself where it holds its own shares as treasury shares) present in person or by proxy shall have one vote for each share held by him.
- 23.2. Where there are joint registered holders of any share 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.
- 23.3. 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.
- 23.4. 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.
- 23.5. No Member shall be entitled to be present or take part in any proceedings or vote either personally, by proxy or by a representative at any meeting unless all calls due from him have been paid. No Member shall be entitled to vote in respect of any shares that he has acquired unless he has been registered as their holder.
- 23.6. 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.

### **24. PROXIES**

- 24.1. 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.
- 24.2. 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 its common seal or under the hand of an officer or attorney duly authorised.
- 24.3. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority shall be deposited at the Office, or such other venue as the Board may specify. Any such instrument appointing a proxy shall not be treated as valid unless the document is received:
- 24.3.1. in the case of a meeting or adjourned meeting, forty-eight (48) hours before the time for holding the meeting or adjourned meeting;
  - 24.3.2. in the case of a poll taken more than forty-eight (48) hours after it was demanded, twenty-four (24) hours before the time appointed for taking the poll;
  - 24.3.3. in the case of a poll taken not more than forty-eight (48) hours after it was demanded, the time at which it was demanded; or
  - 24.3.4. such later time as the Board may specify up to and including the time of the relevant meeting or the taking of the poll, as the case may be.
- In calculating the periods mentioned above, no account shall be taken of any part of a day that is not a Working Day.
- 24.4. 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.
- 24.5. 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.
- 24.6. 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.
- 24.7. 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.
- 25. WRITTEN RESOLUTIONS**
- 25.1. 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.
- 25.2. 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.
- 25.3. 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.
- 25.4. Notices of proposed written resolutions shall incorporate or be accompanied by an instrument to be signed by or on behalf of the Member to whom it is addressed for the purpose of approving the same.
- 25.5. 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.
- 25.6. 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.
- 25.7. 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.
- 26. NUMBER, APPOINTMENT AND QUALIFICATION OF DIRECTORS**
- 26.1. The first Directors of the Company shall be appointed by the subscribers to the Memorandum. Unless otherwise determined by the Board, the number of Directors shall be not less than two (2). The number of Directors shall not be more than ten (10). At no time shall a majority of the Board not be resident in the United Kingdom for tax purposes. Each Director shall immediately inform the Board and the Company of any change (potential or

intended) to his residential tax status.

- 26.2. Subject to Article 26.1 above, 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 but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting if it is an annual general meeting.
- 26.3. At the first annual general meeting of the Company all of the Directors shall retire from office. At each annual general meeting thereafter, one-third of the Directors (or if their number is not three (3) or an integral multiple of three), the number nearest to, but (except where there are less than three Directors) not greater than one-third, shall retire from office.
- 26.4. Subject to the provisions of these Articles, the Directors to retire by rotation on each occasion shall be those of the Directors who have been longest in office since their last appointment or re-appointment but, as between persons who became or were last reappointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. In addition, any Director who would not otherwise be required to retire at any annual general meeting which is the third annual general meeting after the later of his appointment by the Company in general meeting and re-election as a Director of the Company in general meeting, shall nevertheless be required to retire at such annual general meeting. The Directors to retire on each occasion (both as to number and Identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time on the date of the notice but before the close of the meeting.
- 26.5. 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 seven (7) nor more than forty two (42) clear days before the date appointed for the meeting 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.
- 26.6. The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by appointing a person thereto by ordinary resolution and in default the retiring Director shall, if willing to act, be deemed to have been reappointed unless at such meeting it is expressly resolved not to fill the vacated office or a resolution for the re-appointment of such Director shall have been put to the meeting and lost. The Company at such meeting may also (subject to Article 26.1 hereof) fill up any other vacancies.
- 26.7. 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.
- 26.8. At a General Meeting a motion for the appointment of two (2) or more persons as Directors of the Company by a single resolution shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being cast against it.

## **27. REMUNERATION OF DIRECTORS**

- 27.1. The Directors shall be paid out of the funds of the Company by way of fees such sums not exceeding in the aggregate £200,000 per annum as the Directors shall determine or as may otherwise be approved by the Company in general meeting. Directors' fees shall be deemed to accrue from day to day.
- 27.2. The Directors shall also be entitled to be repaid all reasonable out of pocket expenses properly incurred by them in or with a view to the performance of their duties or in attending meetings of the Board or of committees or general meetings.
- 27.3. If any Director having been requested by the Board shall render or perform extra or special services or shall travel or go to or reside in any country not his usual place of residence for any business or purpose of the Company he shall be entitled to receive such sum as the Board may think fit for expenses and also such remuneration as the Board may think fit either as a fixed sum or as a percentage of profits or otherwise and such remuneration may as the Board shall determine be either in addition to or in substitution for any other remuneration which he may be entitled to receive.
- 27.4. 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. A Director need not be a member of the Company.

## **28. 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.

## **29. ALTERNATE DIRECTORS**

- 29.1. A Director who is resident within the United Kingdom shall not be entitled to appoint an alternate who is resident outside the United Kingdom.

- 29.2. Subject to Article 29.1 above, 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. Every such appointment shall be effective and the following provisions shall apply:-

29.2.1. Every Alternate Director while he holds office as such shall be entitled:

- (a) if his appointor so directs the Secretary to notice of meetings of the Directors; and
- (b) 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.

29.2.2. 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.

29.2.3. 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.

29.2.4. 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.

### **30. BORROWING POWERS OF THE BOARD**

The Board may exercise all the powers of the Company to borrow money of an amount up to 65 per cent. of the Gross Assets of the Group at the time of borrowing and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking property or assets 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.

### **31. OTHER POWERS AND DUTIES OF THE BOARD**

31.1. 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.

31.2. 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.

31.3. The Board may establish any local boards or committees 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 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 33 shall apply to meetings of such local boards and committees mutatis mutandis save as varied by the Board.

31.4. The Board may:

31.4.1. 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 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

31.4.2. appoint such other agents, managers and contractors with such powers to sub-delegate as it may deem fit from time to time.

31.5. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed drawn accepted endorsed or otherwise executed in such manner as the Board shall at any time determine.

31.6. 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.

31.7. 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.

31.8. The Board may do any of the matters aforesaid either alone or in conjunction with any such other company.

## **32. CONFLICTS OF INTEREST**

32.1. A Director who to his knowledge is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose to the Board the nature and extent of that interest. In the case of a proposed contract such disclosure shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Board held after he became so interested, in a case where the Director becomes interested in a contract or arrangement after it is made disclosure shall be made at the first meeting of the Board held after the Director becomes so interested. For the purpose of the foregoing a general notice given to the Board by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm shall be deemed to be a sufficient disclosure of interest unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is raised and read at the next meeting of the Board after it is given.

32.2. A Director is interested in a transaction to which the Company is a party, for the purposes of paragraph 32.1 above, if the Director:-

32.2.1. is a party to, or may derive a material benefit from, the transaction;

32.2.2. has a material financial interest in another party to the transaction;

32.2.3. 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;

32.2.4. is the parent, child or spouse of another party who may derive a material financial benefit from the transaction; or

32.2.5. is otherwise directly or indirectly materially interested in the transaction.

32.3. A Director may not vote or be counted in the quorum on a resolution of the directors or committee of the directors concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:-

32.3.1. the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;

32.3.2. the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;

32.3.3. a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

32.3.4. a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a member of the Group) in which he (and any persons connected with him) is interested and whether as an officer, shareholder, creditor or otherwise, if he does not to his knowledge hold an interest in shares representing one per cent. or more of either a class of the equity share capital of or the voting rights in the relevant company;

32.3.5. a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiary undertakings which only awards him a privilege or benefit generally awarded to the employees to whom it relates; and

32.3.6. a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.

32.4. For the purposes of this Article a person shall be treated as being connected with a Director if that person is:-

32.4.1. a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Director; or

32.4.2. an associated body corporate which is a company in which the Director 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
- 32.4.3. a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Director or persons falling within 32.4.1 or 32.4.2 above excluding trustees of an employees' share scheme or pension scheme; or
- 32.4.4. a partner (acting in that capacity) of the Director or persons in categories 32.4.1 to 32.4.3 above.
- 32.5. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company, or whereat the terms of any such appointment are arranged or whereat any contract in which he is interested is considered or any remuneration (including pension or other benefits) is to be paid to him, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof. Where proposals are under consideration concerning the appointment (including without limitation fixing or varying the terms of appointment or its termination) of two (2) or more Directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (If not otherwise debarred from voting under these provisions) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 32.6. A Director may hold any other office or place of profit under the Company (other than Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or 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 be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- 32.7. 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.
- 32.8. Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such company. The Directors may exercise the voting power conferred by the shares 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 directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.
- 32.9. A register of Directors' interests in shares shall be kept at the Office and shall be open to the inspection of any Member or holder of debentures of the Company between the hours of 10:00am and noon for a period beginning fourteen (14) days before and ending three (3) days after the annual general meeting. The said register shall also be produced at the commencement of each annual general meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.
- 33. DISQUALIFICATION AND REMOVAL OF DIRECTORS**
- 33.1. The office of Director shall ipso facto be vacated:-
- 33.1.1. if he (not being a person holding for a fixed term an executive office subject to termination if he ceases from any cause to be a Director) resigns his office by written notice signed by him sent to or deposited at the Office;
- 33.1.2. 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 six (6) months and the Board resolves that his office shall be vacated;
- 33.1.3. if he dies or becomes of unsound mind or incapable;
- 33.1.4. if he becomes insolvent suspends, payment or compounds with his creditors;
- 33.1.5. if he is requested to resign by written notice signed by all his co-Directors;
- 33.1.6. if the Company in general meeting by ordinary resolution shall declare that he shall cease to be a Director;
- 33.1.7. if he becomes resident outside the United Kingdom and, as a result thereof, a majority of the Directors are not resident in the United Kingdom; or

- 33.1.8. if he becomes ineligible to be a Director in accordance with Section 137 of the Law.
- 33.2. If the Company in general meeting removes any Director before the expiration of his period of office it may by ordinary resolution 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.
- 34. PROCEEDINGS OF DIRECTORS**
- 34.1. The Board may meet for the despatch 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, but only if the effect of the exercise of such a vote is not to render a decision or vote in question one which is reached or passed by a majority of Directors who are not resident in the United Kingdom. All meetings of Directors shall take place in the United Kingdom and any decision reached or resolution passed by the Directors at any meeting not held in the United Kingdom or at which a majority of Directors resident in the United Kingdom is not present shall be invalid and of no effect.
- 34.2. 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 outside the United Kingdom at the time of any such meeting may participate in any such meeting.
- 34.3. The Board shall also determine the notice necessary for its meetings and the persons to whom such notice shall be given.
- 34.4. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Board.
- 34.5. The continuing Directors may act notwithstanding any vacancy but if and so long as their number is reduced below the minimum number fixed pursuant to these Articles the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting but for no other purpose. If there be no Directors able or willing to act then any Member may summon a general meeting for the purpose of appointing Directors.
- 34.6. The Board may elect one of their number as 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 five (5) minutes after the time appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting.
- 34.7. 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 the members of any such committee shall be persons who are resident in the United Kingdom. Such Committees shall meet only within the United Kingdom. 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.
- 34.8. 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) for the meeting of the Board and one (1) for any committee of the Directors, provided that If a majority of the Directors (or the members of any committee of the Directors) present at the meeting are resident outside of the United Kingdom the Directors present, irrespective of their number, shall not constitute a quorum and the Directors (or the committee) may not act, except that where the minimum number of Directors has been fixed at one a sole Director shall be deemed to form a quorum. For the purposes of this Article an Alternate Director appointed by a Director shall be counted in a quorum at a meeting at which the Director appointing him is not present. Subject thereto, this Article 34 shall apply mutatis mutandis to the proceedings of such committees.
- 34.9. A resolution in writing signed by each Director (or his Alternate Director) 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 facsimile. No such resolution shall be valid if a majority of the Directors sign the resolution outside of the United Kingdom.
- 35. EXECUTIVE DIRECTOR**
- 35.1. The Board may at any time appoint one or more of their body (other than a Director resident outside of 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.
- 35.2. 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.
- 35.3. 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.

**36. SECRETARY**

- 36.1. A Secretary may be appointed by the Board for such term at such remuneration and upon such conditions as the Board 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.
- 36.2. A Secretary shall have such duties as may be agreed between the Company and the Secretary and, in the absence of such agreement, those duties shall include the duties set out in section 171 of the Law.
- 36.3. Anything required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting be done by or to any Assistant or Deputy Secretary or if there is no Assistant or Deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors.
- 36.4. Any provisions of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

**37. RESIDENT AGENT**

If Part XXIX of the Law applies to the Company, the Board shall ensure that a resident agent is appointed in accordance with the Law.

**38. THE SEAL**

If the Board determines to maintain a Seal they 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.

**39. COMMON SIGNATURE**

- 39.1. The common signature of the Company may be either: -
- 39.1.1. 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
- 39.1.2. 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.

**40. 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; 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.

**41. DIVIDENDS**

- 41.1. Subject to compliance with Section 304 of the Law, 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.
- 41.2. The method of payment of dividends shall be at the discretion of the Board.
- 41.3. No dividend shall be paid in excess of the amounts permitted by the Law or approved by the Board.
- 41.4. 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.
- 41.5. 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.
- 41.6. The Board may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the liabilities or obligations in respect of which the lien exists.
- 41.7. 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.
- 41.8. With the sanction of the Company in general meeting, any dividend may be paid wholly or in part by the distribution of specific assets and, in particular, of paid-up shares of the Company. Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient and in particular may issue fractional shares and 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.

- 41.9. Any dividend interest or other moneys 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 bonuses or other moneys payable in respect of their joint holdings.
- 41.10. No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.
- 41.11. 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.

#### **42. RESERVES**

The Board may before recommending any dividend set aside such amounts (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 such other sums which it may think prudent not to distribute.

#### **43. CAPITALISATION OF PROFITS**

- 43.1. 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.
- 43.2. 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.

#### **44. ACCOUNTS AND REPORTS**

- 44.1. The Board shall maintain accounting records and issue reports in accordance with Part XV of the Law.
- 44.2. The Company shall keep accounting records which are sufficient to show and explain its transactions and are such as to:-
  - 44.2.1. disclose with reasonable accuracy, at any time, the financial position of the Company at that time; and
  - 44.2.2. 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.
- 44.3. The Company's accounting records shall be kept:-
  - 44.3.1. at the Office; or
  - 44.3.2. at such other place as the Board thinks fit.
- 44.4. 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:-

- 44.4.1. disclose with reasonable accuracy the financial position of the business in question at intervals of not more than six (6) months; and
- 44.4.2. 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.
- 44.5. 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.
- 44.6. 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.
- 44.7. 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.
- 44.8. The accounts shall include:-
  - 44.8.1. a profit and loss account; and
  - 44.8.2. a balance sheet.
- 44.9. The accounts shall:-
  - 44.9.1. give (and state that they give) a true and fair view;
  - 44.9.2. be in accordance (and state that they are in accordance) with generally accepted accounting principles and state which principles have been adopted; and
  - 44.9.3. comply (and state that they comply) with any relevant enactment for the time being in force.
- 44.10. The accounts shall be approved by the Board and signed on by at least one (1) Director.
- 44.11. 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.
- 44.12. The Board shall prepare a Directors' report for each of the Company's financial years.
- 44.13. 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.
- 44.14. 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.
- 44.15. 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.
- 44.16. 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
  - 44.16.1. so far as the Director is aware, there is no relevant audit information of which the Auditors are unaware; and
  - 44.16.2. 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.
- 44.17. 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 44.16 if he has:-
  - 44.17.1. made such enquiries of his fellow Directors and of the Auditors for that purpose; and
  - 44.17.2. 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,
- 44.18. In this Article relevant audit information means information needed by the Auditors in connection with preparing

their report.

- 44.19. 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.

- 44.20. 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:-

44.20.1. the accounts;

44.20.2. the Directors' report; and

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

- 44.21. 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:-

44.21.1. accounts;

44.21.2. Directors' report; and

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

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

44.22.1. accounts;

44.22.2. Directors' report; and

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

#### **45. AUDIT**

- 45.1. Subject to Section 256 of the Law, the Members may resolve to exempt the Company from the requirement to appoint Auditors. Whilst the Company continues as an unaudited company the provisions of the Law in so far as they relate to the appointment of Auditors, the duties of Auditors and the report of Auditors shall be suspended and cease to have effect.

- 45.2. Subject to Article 45.1 above, Auditors shall be engaged in accordance with Part XVI of the Law.

#### **46. NOTICES**

- 46.1. A notice or other communication may be given by the Company to any Member by any means as set out in section 523 of the Law.

- 46.2. 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.

- 46.3. 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.

- 46.4. All Members shall be deemed to have agreed to accept communication from the Company by electronic means in accordance with Section 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.

- 46.5. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register of members, has been duly given to a person from which he derives his title.

**47. WINDING UP**

- 47.1. If 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 the number of shares held by each Member.
- 47.2. 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.
- 47.3. If the Company shall be 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 authority 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 think fit.
- 47.4. Where the Company is proposed to be or is in course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company ("the transferee") the Liquidator of the Company may, with the sanction of an Ordinary Resolution, conferring either a general authority on the Liquidator or an authority in respect of any particular arrangement, receive in compensation or part compensation for the transfer or sale, shares policies or other like interests in the transferee for distribution among the Members of the Company or may enter into any other arrangement whereby the Members of the Company may, in lieu of receiving cash, shares, policies or other like interests, or in addition thereto, participate in the profits of or receive any other benefits from the transferee.

**48. INDEMNITY**

- 48.1. 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 moneys 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 moneys 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.
- 48.2. 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.
- 48.3. Notwithstanding Article 48.2, 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.

**49. INSURANCE**

Subject to the provisions of the Law and without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or Auditors of the Company, or of any other body (whether or not incorporated) which is or was its subsidiary of the Company (together "Group Companies") or otherwise associated with the Company or any Group Company or in which the Company or any such Group Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and discretions and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body.



## **50. NAME CHANGE RESOLUTION**

- 50.1. If at any time any agreement between the Company and the Investment Manager or any member of the F & C Group (being F & C and any of its subsidiary undertakings or parent undertakings or their subsidiary undertakings, from time to time) for the management of the Company's investments is terminated, or if any offer is made to all the holders of the Ordinary Shares to acquire the whole or any part of the Ordinary Shares and the right to cast more than fifty per cent. (50%) of the votes which may ordinarily be cast at a general meeting of the Company has or will become vested in the offeror and/or any company controlled by the offeror and/or any person associated, or acting in concert, with the offeror then, in either such event, F & C shall be entitled by notice in writing to the Company to require that the name of the Company is changed to a name which does not contain the word "F & C" or any letters or words colourably or confusingly similar thereto.
- 50.2. If within three (3) months after the giving of such notice the name of the Company has not been so changed, F & C shall be entitled to convene an extraordinary general meeting of the Company for the purpose of passing a special resolution (the "Name Change Resolution") adopting as the name of the Company a name selected by F & C and any member present in person or by proxy (or being a corporation by representative) and entitled to vote shall (in respect of the votes attached to his shares) vote in favour of the Name Change Resolution and any vote which is not cast or is cast against such Name Change Resolution shall be deemed to have been cast in favour of the Name Change Resolution.

## **51. THE CARDINAL PRINCIPLE OF REAL ESTATE INVESTMENT TRUST STATUS**

### **51.1. Cardinal Principle**

- (A) It is a cardinal principle that, for so long as the Company is the principal company of a group UK real estate investment trust (a "**group UK REIT**") for the purposes of Part 12 of the CTA 2010, as such Part may be modified, supplemented or replaced from time to time, no member of the Group should be liable to pay tax under section 551 CTA 2010 (as such section may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution.
- (B) These Articles 51.1 to 51.30 support such cardinal principle by, among other things, imposing restrictions and obligations on the shareholders of the Company and, indirectly, certain other persons who may have an interest in the Company, and shall be construed accordingly so as to give effect to such cardinal principle.

### **51.2. For the purposes of this Article 51:**

**business day** means a day (not being a Saturday or Sunday) on which banks are normally open for business in London;

**CTA 2010** means the Corporation Tax Act 2010;

**Distribution** means any dividend or other distribution by the Company ("distribution" being construed in accordance with Part 23 of the CTA 2010), and references to a Distribution being paid include a distribution not involving a cash payment being made;

**Distribution Transfer** means a disposal or transfer (however effected) by a Person of his rights to a Distribution from the Company such that he is not beneficially entitled (directly or indirectly) to such a Distribution and no Person who is so entitled subsequent to such disposal or transfer (whether the immediate transferee or not) is (whether as a result of the transfer or not) a Substantial Shareholder;

**Distribution Transfer Certificate** means a certificate in such form as the board may specify from time to time to the effect that the relevant Person has made a Distribution Transfer, which certificate may be required by the board to satisfy it that a Substantial Shareholder is not beneficially entitled (directly or indirectly) to a Distribution;

**Excess Charge** means, in relation to a Distribution which is paid or payable to a Person, all tax or other amounts which the board considers may become payable by the Company or any other member of the Group under section 551 CTA 2010 (as such section may be modified, supplemented or replaced from time to time) and any interest, penalties, fines or surcharge attributable to such tax as a result of such Distribution being paid to or in respect of that Person;

**Group** means the Company and the other companies in its group for the purposes of section 606 CTA 2010 (as such section may be modified, supplemented or replaced from time to time);

**HMRC** means HM Revenue & Customs;

**interest in the Company** includes, without limitation, an interest in a Distribution made or to be made by the Company;

**Person** includes a body of persons, corporate or unincorporated, wherever domiciled;

**Relevant Registered Shareholder** means a shareholder who holds all or some of the shares in the Company that comprise a Substantial Shareholding (whether or not a Substantial Shareholder);

**Reporting Obligation** means any obligation from time to time of the Company to provide information or reports to HMRC as a result of or in connection with the Company's or Group's status as a REIT,

**Substantial Shareholding** means the shares in the Company in relation to which or by virtue of which (in whole or in part) a Person is a Substantial Shareholder;

**Substantial Shareholder** means any Person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause any member of the Group to be liable to pay tax under section 551 CTA 2010 (as such section may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such Person including, at the date of adoption of these Articles, any holder of excessive rights as defined in the section 553 CTA 2010 (save as set out in Article 51.7);

In the event of conflict with defined terms elsewhere in these Articles, the definitions in this Article shall apply.

51.3. Where under Articles 51.2 to 51.30 inclusive any certificate or declaration may be or is required to be provided by any Person (including, without limitation, a Distribution Transfer Certificate), such certificate or declaration may be required by the board (without limitation):-

- (i) to be addressed to the Company, the board or such other Persons as the board may determine (including HMRC);
- (ii) to include such information as the board considers is required for the Company to comply with any Reporting Obligation;
- (iii) to contain such legally binding representations and obligations as the board may determine;
- (iv) to include an undertaking to notify the Company if the information in the certificate or declaration becomes incorrect, including prior to such change;
- (v) to be copied or provided to such Persons as the board may determine (including HMRC); and
- (vi) to be executed in such form (including as a deed or deed poll) as the board may determine.

51.4. Articles 51.2 to 51.30 inclusive shall apply notwithstanding any provisions to the contrary in any other Article.

51.5. Each shareholder and any other relevant Person shall serve notice in writing on the Company at the office on:

- (i) his becoming a Substantial Shareholder or his being a Substantial Shareholder on the date Articles 51.2 to 51.30 inclusive come into effect (together with the percentage of voting rights, share capital or dividends he controls or is beneficially entitled to, details of the identity of the shareholder(s) who hold(s) the relevant Substantial Shareholding and such other information, certificates or declarations as the board may require from time to time);
- (ii) his becoming a Relevant Registered Shareholder or being a Relevant Registered Shareholder on the date Articles 51.2 to 51.30 inclusive come into effect (together with such details of the relevant Substantial

Shareholder and such other information, certificates or declarations as the board may require from time to time); and

- (iii) any change to the particulars contained in any such notice, including on the relevant Person ceasing to be a Substantial Shareholder or a Relevant Registered Shareholder.

Any such notice shall be delivered by the end of the second business day after the day on which the Person becomes a Substantial Shareholder or a Relevant Registered Shareholder (or the date Articles 51.2 to 51.30 inclusive come into effect, as the case may be) or the change in relevant particulars or within such shorter or longer period as the board may specify from time to time any Substantial Shareholder who fully discharged all obligations to give notice under any predecessor version of this Article 51.2 to 51.30 shall not be required to serve notice on the Company under this Article 51.5 solely by virtue of this version of Article 51.5 coming into effect.

- 51.6. The board may at any time give notice in writing to any Person requiring him, within such period as may be specified in the notice (being seven (7) days from the date of service of the notice or such shorter or longer period as the board may specify in the notice), to deliver to the Company at the office such information, certificates and declarations as the board may require to establish whether or not he is a Substantial Shareholder or a Relevant Registered Shareholder or to comply with any Reporting Obligation. Each such Person shall deliver such information, certificates and declarations within the period specified in such notice.

- 51.7. In respect of any Distribution, the board may, if the board determines that the condition set out in Article 51.8 is satisfied in relation to any shares in the Company, withhold payment of such Distribution on or in respect of such shares. Any Distribution so withheld shall be paid as provided in Article 51.8 and until such payment the Persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment save that the Company will continue to pay Distributions to Friends Life Limited provided that it holds no more than 32,883,448 ordinary shares at the time of the relevant Distribution (or such lower number as they may hold in the future.

- 51.8. The condition referred to in Article 51.6 is that, in relation to any shares in the Company and any Distribution to be paid or made on and in respect of such shares:

- (i) the board believes that such shares comprise all or part of a Substantial Shareholding of a Substantial Shareholder; and
- (ii) the board is not satisfied that such Substantial Shareholder would not be beneficially entitled to the Distribution if it was paid,

and, for the avoidance of doubt, if the shares comprise all or part of a Substantial Shareholding in respect of more than one Substantial Shareholder this condition is not satisfied unless it is satisfied in respect of all such Substantial Shareholders.

- 51.9. If a Distribution has been withheld on or in respect of any shares in the Company in accordance with Article 51.8, it shall be paid as follows:

- (i) if it is established to the satisfaction of the board that the condition in Article 51.8 is not satisfied in relation to such shares, in which case the whole amount of the Distribution withheld shall be paid;
- (ii) if the board is satisfied that sufficient interests in all or some of the shares concerned, including the rights to the Distribution attributable to such shares, have been transferred to a third party so that such transferred shares no longer form part of the Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid (provided the board is satisfied that following such transfer such shares concerned do not form part of a Substantial Shareholding); and
- (iii) if the board is satisfied that as a result of a transfer of interests in shares referred to in (ii) above the remaining shares no longer form part of a Substantial Shareholding, in which case the Distribution attributable to such shares shall be paid.

In this Article 51.9, references to the transfer of an interest in a Share include the disposal (by any means) of beneficial ownership of, control of voting rights in respect of and beneficial entitlement to dividends in respect of,

that share. The board shall be entitled to require such information, certificates or declarations as they think fit for the purposes of this Article 51.9.

- 51.10. A Substantial Shareholder may satisfy the board that he is not beneficially entitled to a Distribution by providing a Distribution Transfer Certificate. The board shall be entitled to (but shall not be bound to) accept a Distribution Transfer Certificate as evidence of the matters therein stated and the board shall be entitled to require such other information, certificates or declarations as they think fit.
- 51.11. The board may withhold payment of a Distribution on or in respect of any shares in the Company if any notice given by the board pursuant to Article 51.6 in relation to such shares shall not have been complied with to the satisfaction of the board within the period specified in such notice. Any Distribution so withheld will be paid when the notice is complied with to the satisfaction of the board unless the board withholds payment pursuant to Article 51.7 and until such payment the Persons who would otherwise be entitled to the Distribution shall have no right to the Distribution or its payment.
- 51.12. If the board decides that payment of a Distribution should be withheld under Article 51.7 or 51.11, they shall, within five (5) business days, give notice in writing of that decision to the Relevant Registered Shareholder.
- 51.13. If any Distribution shall be paid on a Substantial Shareholding and an Excess Charge becomes payable, the Substantial Shareholder shall pay the amount of such Excess Charge and all costs and expenses incurred by the Company in connection with the recovery of such amount to the Company on demand by the Company. Without prejudice to the right of the Company to claim such amount from the Substantial Shareholder, such recovery may be made out of the proceeds of any disposal pursuant to Article 51.20 or out of any subsequent Distribution in respect of the shares to such Person or to the shareholders of all shares in relation to or by virtue of which the board believes that Person has an interest in the Company (whether that Person is at that time a Substantial Shareholder or not).
- 51.14. If a Distribution is paid on or in respect of a Substantial Shareholding (except where the Distribution is paid in circumstances where the Substantial Shareholder is not beneficially entitled to the Distribution), the Distribution and any income arising from it shall be held by the payee or other recipient to whom the Distribution is transferred by the payee on trust absolutely for the Persons nominated by the relevant Substantial Shareholder under Article 51.15 in such proportions as the relevant Substantial Shareholder shall in the nomination direct or, subject to and in default of such nomination being validly made within twelve (12) years after the date the Distribution is made, for the Company or such other Person or charity as may be nominated by the board from time to time.
- 51.15. The relevant Substantial Shareholder of shares of the Company in respect of which a Distribution is paid shall be entitled to nominate in writing any two (2) or more Persons (not being Substantial Shareholders) to be the beneficiaries of the trust on which the Distribution is held under Article 51.14 and the Substantial Shareholder may in any such nomination state the proportions in which the Distribution is to be held on trust for the nominated Persons, failing which the Distribution shall be held on trust for the nominated Persons in equal proportions. No Person may be nominated under Articles 51.2 to 51.30 inclusive who is or would, on becoming a beneficiary in accordance with the nomination, become a Substantial Shareholder. If the Substantial Shareholder making the nomination is not by virtue of Article 51.14 the trustee of the trust, the nomination shall not take effect until it is delivered to the Person who is the trustee.
- 51.16. Any income arising from a Distribution which is held on trust under Article 51.14 shall until the earlier of (i) the making of a valid nomination under Article 51.15 and (ii) the expiry of the period of 12 years from the date when the Distribution is paid be accumulated as an accretion to the Distribution. Income shall be treated as arising when payable, so that no apportionment shall take place.
- 51.17. No Person who by virtue of Article 51.14 holds a Distribution on trust shall be under any obligation to invest the Distribution or to deposit it in an interest-bearing account.
- 51.18. No Person who by virtue of Article 51.14 holds a Distribution on trust shall be liable for any breach of trust unless due to his own wilful fraud or wrongdoing or, in the case of an incorporated Person, the fraud or wilful wrongdoing of its directors, officers or employees.
- 51.19. If at any time, the board believes that:-
- (i) in respect of any Distribution declared or announced, the condition set out in Article 51.8 is satisfied in

respect of any shares in the Company in relation to that Distribution;

- (ii) a notice given by the board pursuant to Article 51.6 in relation to any shares in the Company has not been complied with to the satisfaction of the board within the period specified in such notice; or
- (iii) any information, certificate or declaration provided by a Person in relation to any shares in the Company for the purposes of Articles 51.2 inclusive were materially inaccurate or misleading,

the board may give notice in writing (a Disposal Notice) to any Persons they believe are Relevant Registered Shareholders in respect of the relevant shares requiring such Relevant Registered Shareholders within twenty-one (21) days of the date of service of the Disposal Notice (or such longer or shorter time as the board considers to be appropriate in the circumstances) to dispose of such number of shares the board may in such Disposal Notice specify or take such other steps as will cause the condition set out in Article 51.8 to no longer be satisfied. The board may, if it thinks fit, withdraw a Disposal Notice

51.20. If:-

- (i) the requirements of a Disposal Notice are not complied with to the satisfaction of the board within the period specified in the relevant notice and the relevant Disposal Notice is not withdrawn; or
- (ii) a Distribution is paid on a Substantial Shareholding and an Excess Charge becomes payable,

the board may arrange for the Company to sell all or some of the shares to which the Disposal Notice relates or, as the case may be, that form part of the Substantial Shareholding concerned. For this purpose, the board may make such arrangements as it deems appropriate. In particular, without limitation, they may authorise any officer or employee of the Company to execute any transfer or other document on behalf of the holder or holders of any relevant share and, in the case of an uncertificated share, may make such arrangements as they think fit on behalf of the relevant holder or holders to transfer title to the relevant share through a relevant system.

- 51.21. Any sale pursuant to Article 51.20 above shall be at the price which the board considers is the best price reasonably obtainable and the board shall not be liable to the holder or holders of the relevant share for any alleged deficiency in the amount of the sale proceeds or any other matter relating to the sale.
- 51.22. The net proceeds of the sale of any Share under Article 51.20 (less any amount to be retained pursuant to Article 51.13 and the expenses of sale) shall be paid over by the Company to the former holder or holders of the relevant Share upon surrender of any certificate or other evidence of title relating to it, without interest. The receipt of the Company shall be a good discharge for the purchase money.
- 51.23. The title of any transferee of shares shall not be affected by an irregularity or invalidity of any actions purportedly taken pursuant to Articles 51.2 to 51.30 inclusive.
- 51.24. The board shall be entitled to presume without enquiry, unless any director has reason to believe otherwise, that a Person is not a Substantial Shareholder or a Relevant Registered Shareholder.
- 51.25. The board shall not be required to give any reasons for any decision or determination (including any decision or determination not to take action in respect of a particular Person) pursuant to Articles 51.2 to 51.30 inclusive and any such determination or decision shall be final and binding on all Persons unless and until it is revoked or changed by the board. Any disposal or transfer made or other thing done by or on behalf of the board or any director pursuant to Articles 51.2 to 51.30 inclusive shall be binding on all Persons and shall not be open to challenge on any ground whatsoever.
- 51.26. Without limiting their liability to the Company, the board shall be under no liability to any other Person, and the Company shall be under no liability to any shareholder or any other Person, for identifying or failing to identify any Person as a Substantial Shareholder or a Relevant Registered Shareholder.
- 51.27. The board shall not be obliged to serve any notice required under Articles 51.2 to 51.30 inclusive upon any Person if they do not know either his identity or his address. The absence of service of such a notice in such circumstances or any accidental error or failure to give any notice to any Person upon whom notice is required to be served under Articles 51.2 to 51.30 inclusive shall not prevent the implementation of or invalidate any



procedure under those Articles.

- 51.28. The provisions of Articles 51.2 to 51.30 inclusive shall apply to the service upon any Person of any notice required by Articles 51.2 to 51.30 inclusive. Any notice required by Articles 51.2 to 51.30 inclusive to be served upon a Person who is not, a shareholder or upon a Person who is a shareholder but whose address is not within an EEA State, shall be deemed validly served if such notice is sent through the post in a pre-paid cover addressed to that Person or shareholder at the address if any at which the board believes him to be resident or carrying on business or, in the case of a holder of depository receipts or similar securities, to the address, if any, in the Register of holders of the relevant securities. Service shall, in such a case be deemed to be effected on the day of posting and it shall be sufficient proof of service if that notice was properly addressed, stamped and posted.
- 51.29. Any notice required or permitted to be given, pursuant to Articles 51.2 to 51.30 inclusive may relate to more than one share and shall specify the share or shares to which it relates and must be given in accordance with Article 46.
- 51.30. The board may require from time to time any Person who is or claims to be a Person to whom a Distribution may be paid without deduction of tax under Regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006 to provide such certificates or declarations as they may require from time to time.