

THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED

NON-CELLULAR COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

DUKE ROYALTY LIMITED

Registered on 22 February 2012, with Articles of Incorporation adopted by a special resolution passed on 16 June 2015

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1. **DEFINITIONS**

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

Words	Meanings
Admission	Admission of the Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies.
AIM	AIM, the market of that name operated by the London Stock Exchange.
AIM Rules for Companies	The rules for companies relating to the admission of securities to trading on AIM, as published by the London Stock Exchange from time to time.
Articles	These Articles of Incorporation as now framed and at any time altered.
at any time	At any time or times and includes for the time being and from time to time.
Auditor	The auditor for the time being of the Company.
Authorised Operator	The authorised operator (as defined in the Regulations) of the Uncertificated System.
Board or Directors	The Directors at any time or the Directors present at a duly convened meeting at which a quorum is present or, as the case may be, the Directors assembled as a duly formed committee of such Board.

Business Day	A day on which the London Stock Exchange and banks in Guernsey and London are normally open for business.
Calendar Year	The period from 1 January to 31 December of a particular year.
Certificated	A unit of a security which is not an Uncertificated unit and is normally held in certificated form.
Clear Days	In relation to a period of notice, shall mean that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect.
Companies Law	The Companies (Guernsey) Law, 2008 (as amended).
Company	Duke Royalty Limited (company registration number 54697).
Court	The Royal Court of Guernsey sitting as an Ordinary Court.
Dematerialised Instruction	An instruction sent or received by means of the Uncertificated System.
Director	A director of the Company for the time being.
DTR5	Chapter 5 of the Disclosure and Transparency Rules (as amended from time to time) of the UK Financial Conduct Authority Handbook.
EEA State	A state which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2 May 1992 (as it has effect from time to time).
Eligible Members	Has the meaning ascribed to it in the Companies Law.
ERISA	The United States Employee Retirement Income Security Act of 1974, as amended.
Euro or €	The lawful currency of the Eurozone countries.
Executor	Includes administrator.
FATCA	The United States Foreign Account Tax Compliance provisions of the US Hiring Incentives to Restore Employment Act 2010, which implemented Sections 1471 through 1474 of the U.S. Code, any current or

future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the U.S. Code, any intergovernmental agreements entered into in connection with the implementation of such sections of the U.S. Code, and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreements entered into in connection with Sections 1471 through 1474 of the U.S. Code.

Financial Conduct Authority

The Financial Conduct Authority of the United Kingdom acting in its capacity as the competent listing authority for the purposes of Part 6 of the Financial Services and Markets Act 2000, as amended, and its successor bodies.

Group Company

Any subsidiary undertaking of the Company.

Investment Policy

The investment objective and investment policy applicable to the Company from time to time.

Investment Undertaking

Any intermediate holding or investing entities that the Company may establish from time to time for the purposes of efficient portfolio management and to assist with tax planning generally or any Group Company from time to time.

Laws

The Companies Law and every other Order in Council, Ordinance or Statutory Instrument for the time being in force concerning companies registered in Guernsey and affecting the Company.

Liquidator

Any liquidator of the Company appointed at any time under the Laws.

London Stock Exchange

London Stock Exchange plc.

Member

In relation to shares in the capital of the Company means the person whose name is entered in the Register as the holder of the shares and includes, on the death, disability or insolvency of a Member, any person entitled to such shares on the death, disability or insolvency of such Member.

Memorandum

The Memorandum of Incorporation of the Company for the time being current.

Month	Calendar month.
Non-Qualified Holder	Any person whose holding or beneficial ownership of shares may result in (i) the Company or any Investment Undertaking being in violation of, or required to register under, the U.S. Investment Company Act of 1940, as amended or the U.S. Commodity Exchange Act of 1974, as amended or being required to register the Shares under the U.S. Securities Exchange Act of 1934, as amended (including in order to maintain the status of the Company as a "foreign private issuer" for the purposes of that Act); (ii) the assets of the Company being deemed to be assets of an employee benefit plan within the meaning of ERISA or of a plan within the meaning of Section 4975 of the U.S. Code, as amended or of a plan or other arrangement subject to provisions under applicable federal, state, local, non-U.S. or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Code; (iii) the Company or any Investment Undertaking having or being subject to withholding obligations under, or from being in violation of, FATCA or Similar Legislation, or otherwise not being in compliance with the Investment Company Act, the U.S. Securities Exchange Act of 1934, as amended, the U.S. Commodity Exchange Act of 1974, as amended, ERISA or any applicable federal, state, local, non-U.S. or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Code; (iv) the Company ceasing to be a "foreign private issuer" for the purposes of the U.S. Securities Act or the U.S. Exchange Act; or (v) the Company failing to qualify for an exemption from the requirements to register as a "commodity pool" within the meaning of the Dodd-Frank Act.
Notifiable Interest	Has the meaning given to it in Article 6.19.
Office	The registered office at any time of the Company, which shall always be located in the Island of Guernsey.
Official List	The official list of the Financial Conduct Authority.

Ordinary Resolution	A resolution of the Company passed as an ordinary resolution in accordance with the Companies Law.
Ordinary Share	A redeemable ordinary share of no par value in the capital of the Company issued and designated as an Ordinary Share of such class, and denominated in such currency, as may be determined by the Directors at the time of issue.
Person	An individual, a company, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organisation, and a governmental entity or any department, agency, or political subdivision thereof, and any other entity.
Present In Person	In relation to general meetings of the Company and to meetings of the holders of any class of shares, includes present by attorney or by Proxy or, in the case of a corporate Member, by duly authorised corporate representative.
Proxy	Includes attorney.
Register or Register of Members	The register of Members kept pursuant to the Companies Law which shall, unless the context otherwise requires, include the register required to be kept by the Company under the Regulations and the Rules in respect of securities in Uncertificated Form.
Regulations	The Uncertificated Securities (Guernsey) Regulations, 2009 (as amended from time to time).
Rules	The rules, including any manuals, issued from time to time by the Authorised Operator governing the admission of securities to and the operation of the Uncertificated System managed by the Authorised Operator.
Secretary	Any person appointed to perform any of the duties of secretary of the Company (including an assistant, deputy or temporary secretary) and in the event of two or more persons being appointed as joint secretaries any one or more of the persons so appointed.
shares	Shares of any class in the capital of the Company as well as any fraction of a share.

Similar Legislation	Legislation enacted by any jurisdiction that is similar to FATCA or which otherwise relates to the disclosure or exchange of tax-related information, including any regulations implementing an intergovernmental approach thereto or any agreements made pursuant to the implementation of the foregoing, in each case which may be enacted from time to time.
Special Deferred Share	a share of no par value in the capital of the Company designated as a Special Deferred Share and having the rights set out in these Articles
Special Resolution	A resolution of the Members passed as a special resolution in accordance with the Companies Law.
Sterling	The lawful currency of the United Kingdom from time to time.
Taxation or Tax	All forms of taxation, whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or other reference and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies (including social security contributions, national insurance contributions and any other payroll taxes), whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and in respect of any Person and all penalties, charges, costs and interest relating thereto.
U.S. Code	The United States Internal Revenue Code of 1986, as amended, and including, to the extent applicable, the United States Treasury Regulations promulgated thereunder and any other administrative or judicial Tax Law of the United States.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended.
U.S. Investment Advisers Act	The United States Investment Advisers Act of 1940, as amended.
U.S. Investment Company Act	The United States Investment Company Act of 1940, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as

amended.

Uncertificated	A unit of a Guernsey security, title to which is recorded on the relevant register of securities as being held in uncertificated form, and title to which may be transferred by means of the Uncertificated System in accordance with the Regulations and the Rules, if any.
Uncertificated System	Any computer based system and its related facilities and procedures that is provided by an Authorised Operator and by means of which title to units of a security can be evidenced and transferred in accordance with the Regulations, without a written instrument.
United Kingdom	The United Kingdom of Great Britain and Northern Ireland.
United States or U.S.	The United States of America, its territories and possessions, any state or political subdivision of the United States and the District of Columbia.
Written Resolution	A resolution of the Eligible Members passed as a written resolution in accordance with the Companies Law.

2. INTERPRETATION

- 2.1 The singular includes the plural and *vice versa*.
- 2.2 The masculine includes the feminine and neutral genders.
- 2.3 Words importing persons include corporations.
- 2.4 Expressions referring to writing include any mode of representing or reproducing words (but only to the extent that (a) the Board so resolves, either generally or in relation to particular categories of document, and (b) (the recipient (if not the Company) has requested or agreed) including electronic communication.
- 2.5 References to enactments shall include references to any modifications or re-enactments thereof for the time being in force.
- 2.6 The word "**may**" shall be construed as permissive and the word "**shall**" shall be construed as imperative.
- 2.7 Subject to the above, any words defined in the Laws shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

- 2.8 The headings are inserted for convenience only and shall not affect the interpretation of these Articles.
- 2.9 The expression "**officer**" shall include a Director, the Secretary and such other person as the Board from time to time shall think fit but shall not include an auditor.
- 2.10 Any words or expressions defined in the Regulations shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.
- 2.11 The expressions "**communication**", "**electronic communication**", "**electronic form**", "**electronic means**" and "**hard copy form**" shall have the same respective meanings as in the Companies Law, with the term "**electronic communication**" including, without limitation, e-mail, facsimile, CD-Rom, audio tape and telephone transmission and (in the case of electronic communication by the Company in accordance with Article 39.11) publication on a website.
- 2.12 The expression "**address**" shall have the same meaning as in Section 1148(1) of the Companies Act 2006.
- 2.13 The expression "**subsidiary undertaking**" shall have the meaning given in Part 38 of the Companies Act 2006.
- 2.14 The standard articles prescribed by the States of Guernsey Commerce and Employment Department pursuant to section 16(2) of the Companies Law shall not apply to the Company.
3. **SHARES**
- 3.1 Subject to the Companies Law and the other provisions of these Articles, the Directors have power to issue an unlimited number of shares of no par value and an unlimited number of shares with a par value as they see fit.
- 3.2 Shares may be issued and designated as Ordinary Shares or such other classes of shares as the Board shall determine, in each case of such classes, and denominated in such currencies, as shall be determined at the discretion of the Board and the price per share at which shares of each class shall first be offered to subscribers shall be fixed by the Board.
- 3.3 Subject to the terms and rights attaching to shares already in issue and these Articles, 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 or as to voting or otherwise and such other rights and restrictions as the Board may determine in accordance with the Companies Law.
- 3.4 Subject to the following provisions of this Article 3.4, the unissued shares of the Company shall be at the disposal of the Board which may dispose of them to such persons and in such a manner and on such terms and conditions and at such times as the Board may determine from time to time. Where the Company has only one class of shares in issue, the Directors are generally and unconditionally authorised to exercise all powers of the Company to issue

shares of that class or to grant rights to subscribe for, or to convert any securities into, such shares. Where the Company has more than one class of shares in issue, the Directors are generally and unconditionally authorised to exercise all powers of the Company to issue, grant rights to subscribe for, or to convert any securities into, an unlimited number of shares of each class in the Company and, where required by the Companies Law, such authority shall expire on the date which is five years from the date of incorporation of the Company (unless previously renewed, revoked or varied by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require shares to be issued after such expiry and the Directors may issue shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

- 3.5 Any shares may, with the sanction of the Board, be issued on terms that they are, at the option of the Company or the holder, liable to be redeemed on such terms and in such manner as the Board before the issue may determine.
- 3.6 The Company may from time to time, subject to the provisions of the Companies Law purchase its own shares (including any redeemable shares) in any manner authorised by the Companies Law and may cancel those shares or hold any such shares as treasury shares provided that the number of shares held as treasury shares shall not at any time exceed ten per cent. of the total number of shares of that class in issue at that time or such other amount as provided in the Companies Law.
- 3.7 The Company and any of its subsidiary companies may give financial assistance (as defined by the Companies Law) directly or indirectly for the purpose of or in connection with the acquisition of its shares or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company.
- 3.8 Subject to the provisions of the Companies Law, if at any time the shares of the Company are divided into different classes, all or any of the rights for the time being attached to any share or class of shares (and notwithstanding that the Company may or may be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three-fourths in number of the issued shares of that class or with the consent of a Special Resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles, but so that the quorum at such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one-third of the issued shares of the class in question (excluding any shares of that class held as treasury shares) (and so that at any adjourned meeting one holder entitled to vote and present in person or by proxy (whatever the number of shares held by him) shall be a quorum).
- 3.9 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 (a) the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto or (b) the purchase or redemption by the Company of any of its own shares.

- 3.10 The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other special rights shall not be deemed to be varied by the exercise of any powers under Article 5.
- 3.11 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. The Company may also pay brokerages.
- 3.12 The Board may at any time after the conditional issue of, or agreement to issue, any share but before any person has been entered in the Register as the holder:
- 3.12.1 recognise a renunciation thereof by the person conditionally issued with any shares in favour of some other person and accord to the former a right to effect such renunciation; and/or
- 3.12.2 allow the rights represented thereby to relate to one or more shares,
- in each case upon and subject to such terms and conditions as the Board may think fit to impose.

4. **COMPANY NOT OBLIGED TO RECOGNISE ANY TRUST**

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 thereof or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety 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.

5. **RECORD DATE**

- 5.1 The Directors may fix in advance or arrears a date as the record date (a "**Record Date**") for any such determination of Members entitled to notice of or to vote at a general meeting, for the purpose of determining the Members entitled to receive payment of any dividend and may fix a date in advance for the purpose of determining which Members are entitled to notice of or to sign any written resolutions proposed to be passed.
- 5.2 If no Record Date is fixed for the determination of Members entitled to notice of, or to vote at, a general meeting, Members entitled to receive payment of a dividend or Members entitled to notice of or to sign any written resolutions proposed to be passed, the date on which notice of the general meeting is sent or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the Record Date for such determination of Members.

6. **DISCLOSURE OF INTERESTS AND PROVISION OF INFORMATION BY SHAREHOLDERS**

6.1 The Board shall have power by notice in writing to require any Member to disclose to the Company in writing:

6.1.1 within the prescribed deadline as determined in accordance with Article 6.16.2, the identity of any person other than the Member (an "**Interested Party**") who has, or has had at any time during the three years immediately preceding the date on which the notice is issued, any interest (whether direct or indirect) in the shares held by the Member and the nature of such interest. For these purposes, a person shall be treated as having an interest in shares if they have any interest in them whatsoever, including but not limited to any interest acquired by any person as a result of:

- (a) entering into a contract to acquire them;
- (b) not being the registered holder, being entitled to exercise, or control the exercise of, any right conferred by the holding of the shares;
- (c) having the right to call for delivery of the shares; or
- (d) having the right to acquire an interest in shares or having the obligation to acquire such an interest; and

6.1.2 within 28 days from the date of service of the said notice, such information as the Board determines is necessary or appropriate to permit the Company or any Investment Undertaking to satisfy applicable withholding, reporting or filing requirements arising with respect to the Member's, or applicable Interested Party's, ownership interest in the Company under FATCA or Similar Legislation, including compliance with the Company's withholding and/or reporting obligations under FATCA and Similar Legislation (a "**Tax Reporting Notice**").

6.2 The Company may maintain a register of Interested Parties to which the provisions of the Laws relating to the Register of Members 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. At no time shall the Company permit the register of Interested Parties to be kept or maintained in the United Kingdom or Canada, or to be inspected by anyone other than a Director.

6.3 The Board shall be required to exercise its powers under Article 6.1 if requisitioned to do so in accordance with Article 6.4 by Members holding at the date of the deposit of the requisition not less than one-tenth of the total voting rights attaching to the Ordinary Shares at the relevant time.

6.4 A requisition under Article 6.3 must:

- 6.4.1 state that the requisitionists are requiring the Company to exercise its powers under this Article;
 - 6.4.2 specify the manner in which they require those powers to be exercised;
 - 6.4.3 give reasonable grounds for requiring the Company to exercise those powers in the manner specified; and
 - 6.4.4 be signed by the requisitionists and deposited at the Office.
- 6.5 A requisition may consist of several documents in like form each signed by one or more requisitionists.
- 6.6 On the deposit of a requisition complying with this Article 5 it is the Board's duty to exercise their powers under Article 6.1 in the manner specified in the requisition.
- 6.7 If any Member has been duly served with a notice given by the Board in accordance with Article 6.1.1 or Article 10.1.2 and is in default after the prescribed deadline under these Articles for supplying to the Company the information thereby required, then the Board may in its absolute discretion at any time thereafter serve a notice (a "**direction notice**") upon such Member.
- 6.8 A direction notice may direct that, in respect of:
- 6.8.1 any shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "**Default Shares**"); and
 - 6.8.2 any other shares held by the Member,
- the Member shall not be entitled to vote at a general meeting or meeting of the holders of any class of shares of the Company either in person 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.
- 6.9 Where the default relates to a failure to provide the information required by a Tax Reporting Notice or the Default Shares represent at least 0.25% of the number of shares in issue of the class of shares concerned, the direction notice may additionally direct that in respect of the Default Shares:
- 6.9.1 any dividend or distribution or the proceeds of any repurchase, redemption or repayment on the Default Shares 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 and such dividend or proceeds may be reduced by an amount equal to any Taxes or other costs or expenses incurred by the Company or any other Investment Undertaking resulting from such failure or default; and
 - 6.9.2 no transfer other than an approved transfer (as set out in Article 6.16.3) of the Default 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) when presented for registration the transfer is accompanied by a certificate by the Member in a form satisfactory to the Board to the effect that after due and careful enquiry the Member is satisfied that no person who is in default as regards supplying such information is interested in any of the shares the subject of the transfer.
- 6.10 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.
- 6.11 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.
- 6.12 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:
 - 6.12.1 if the information requested in the notice is delivered to the Company within the prescribed deadline; or
 - 6.12.2 in relation to any shares which are transferred by such Member by means of an approved transfer as set out in Article 6.16.3.
- 6.13 As soon as practicable after the direction notice has ceased to have effect (and in any event within five Business Days thereafter) the Board shall procure that the restrictions imposed by Articles 6.8 and 6.9 shall be removed and that dividends withheld pursuant to Article 6.9.1 are paid to the relevant Member.
- 6.14 If any Member has been duly served with a direction notice given by the Board in accordance with Article 6.7 for failing to supply to the Company the information required by a Tax Reporting Notice, then the Board may in its absolute discretion at any time after the date which is thirty days from the date of service of the direction notice, give notice to such Member requiring him to sell or transfer his shares to a person who is not a Non-Qualified Holder or himself a holder of Default Shares within thirty days (or fourteen days in the case of ERISA-related violations) and within such thirty days (or fourteen days in the case of ERISA-related violations) to provide the Board with satisfactory evidence of such sale or transfer. If any person upon whom such a notice is served pursuant to this Article 6.14 does not within thirty days (or fourteen days in the case of ERISA-related violations) after such notice either
 - (i) transfer his shares to a person who is not a Non-Qualified Holder or a holder of Default

Shares or (ii) establish to the satisfaction of the Board (whose judgment shall be final and binding) that he is not a Non-Qualified Holder or has duly provided the information required by the relevant Tax Reporting Notice, (a) such person shall be deemed upon the expiration of such thirty days (or fourteen days in the case of ERISA-related violations) to have forfeited his shares and the Board shall be empowered at its discretion to follow the procedure pursuant to Articles 11.3 to 11.6, 11.8 and 11.9 in respect of those shares or (b) if the Board in its absolute discretion so determines, to the extent permitted under the Regulations, the Board may arrange for the Company to sell the Default Shares at the best price reasonably obtainable to any other person (other than a Non-Qualified Holder or holder of Default Shares), in which event the Company may, but only to the extent permitted under the Regulations, take any action whatsoever that the Board considers necessary in order to effect the transfer of such shares by the defaulting Member (including where necessary requiring the Member in question to execute powers of attorney or other authorisations, or authorising an officer of the Company to deliver an instruction to the Authorised Operator or the operator of any other Uncertificated System), and the Company shall pay the net proceeds of sale, reduced by an amount equal to any Taxes or other costs or expenses incurred by the Company or any Investment Undertaking resulting from such failure or default to the former holder upon its receipt of the sale proceeds and the surrender by the holder of the relevant share certificate or, if no certificate has been issued, such evidence as the Board may reasonably require to satisfy itself as to the holder's former entitlement to the Default Shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant Default Shares or any claim against the Company in respect thereof. No trust will be created and no interest will be payable in respect of such net proceeds of sale.

6.15 For the purpose of enforcing the restrictions referred to in Article 6.9.2 and to the extent permissible under the Regulations and the Rules (if any) the Board may give notice to the relevant Member requiring the Member to change any Default Shares held in Uncertificated form to Certificated form by the time stated in the notice. The notice may also state that the Member may not change any of the Default Shares held in certificated form to Uncertificated form. If the Member does not comply with the notice, the Board may authorise any person to instruct the operator of the Uncertificated System to change the Default Shares held in Uncertificated form to Certificated form.

6.16 For the purpose of this Article 5:

6.16.1 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; and

6.16.2 the prescribed deadline in respect of any particular Member is 28 days from the date of service of the said notice in accordance with Article 6.1.1 except where the Default Shares represent at least 0.25% of the number of shares in issue of the class of shares concerned in which case such deadline shall be 14 days;

6.16.3 subject to Article 12.7, 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 Board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares which are the subject of the transfer 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, as amended) or any stock exchange outside the United Kingdom on which the Company's shares are listed or normally traded.

6.17 For the purposes of Article 6.16.3 any person of the following persons shall be included amongst the persons who are connected with the Member or any other person appearing to be interested in such shares:

6.17.1 a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Member or any other person appearing to be interested in such shares;

6.17.2 an associated body corporate which is a company in which the Member or any other person appearing to be interested in such shares alone, or with connected persons, is directly or indirectly beneficially interested in 20% 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% of the voting power at general meetings; or

6.17.3 a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Member or any other person appearing to be interested in such shares or persons falling within Articles 6.17.1 or 6.17.2 above excluding trustees of an employees' share scheme or pension scheme; or

6.17.4 a partner (acting in that capacity) of the Member or any other person appearing to be interested in such shares or persons described in Articles 6.17.1 to 6.17.3 above.

6.18 Any Member who has been given notice of an Interested Party in accordance with Article 6.1.1 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, where such a register is maintained, the Board shall promptly amend the register of Interested Parties accordingly.

6.19 Notwithstanding any other provision of this Article 5, any Member who acquires an interest in the Company equal to or exceeding three per cent. of the number of shares in issue of the class of shares concerned (a "**Notifiable Interest**") shall forthwith notify the Company of such interest and having acquired a Notifiable Interest, a Member shall forthwith notify the

Company if he ceases to hold a Notifiable Interest and where a Member has a Notifiable Interest he shall notify the Company of any increase or decrease to the nearest whole percentage number in his Notifiable Interest.

7. NOTIFICATIONS OF INTERESTS

7.1 Each Member shall be under an obligation to make notifications in accordance with the provisions of the remaining provisions of this Article 7.

7.2 If at any time the Company shall have a class of shares admitted to listing on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities, the provisions of DTR5 shall be deemed to be incorporated by reference into these Articles and accordingly the vote holder and issuer notification rules set out in DTR5 shall apply to the Company and each Member.

7.3 For the purposes of this Article 7 only, defined terms in DTR5 shall bear the meaning set out in DTR5, and if the meaning of a defined term is not set out in DTR5, the defined term shall bear the meaning set out in the Glossary to the UK Financial Conduct Authority Handbook (in such case, read as the definition applicable to DTR5).

7.4 If at any time the Company shall have a class of shares admitted to listing on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities, the provisions of Section 793 of the UK Companies Act 2006, which provisions are incorporated by reference in these Articles and are available to the Members from the Secretary at no charge, shall apply to the Members of such quoted shares, provided that for the purposes of this Article 7, the following terms shall have the meanings set forth below:

"**public company**" shall mean the Company; and

"**company's shares**" shall mean the class of shares of the Company admitted to listing on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities.

7.5 If the Company determines that a Member (a "**Defaulting Member**") has not complied with the provisions of DTR5 as set forth above with respect to some or all of such shares held by such Member (the "**Default Shares**"), the Company shall have the right by delivery of notice to the Defaulting Member (a "**Default Notice**") to:

7.5.1 suspend the right of such Defaulting Member to vote on the Default Shares in person or by proxy at any meeting of the Company. Such a suspension shall have effect from the date on which the Default Notice is delivered by the Company to the Defaulting Member until a date that is not more than seven (7) days after the Company has determined in its sole discretion that the Defaulting Member has cured the non-compliance with the provisions of DTR5; PROVIDED THAT the Company may at any time by subsequent written notice cancel or suspend the operation of a Default Notice; and/or

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

8. CERTIFICATES AND REGISTER OF MEMBERS

- 8.1 Subject to the Laws, shares shall be issued in registered form and may be issued and held in Certificated form or Uncertificated form as the Board may in its absolute discretion determine.
- 8.2 Subject to Article 8.1, the Company shall issue:
 - 8.2.1 without payment one certificate to each person for all his shares of each class and, when part only of the shares comprised in a certificate is sold or transferred, a balance certificate; or
 - 8.2.2 upon payment of such sum as the Board may determine several certificates each for one or more shares of any class.
- 8.3 Any certificate issued shall specify the shares to which it relates and the amount paid up and the distinguishing numbers (if any).
- 8.4 All forms of certificate for shares or debentures or representing any other form of security may if determined by the Board be issued under the common signature of the Company and may be signed mechanically.
- 8.5 If a share certificate is issued and is 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.
- 8.6 Shares of any class may be traded through an Uncertificated System and held in Uncertificated form in accordance with the Regulations.
- 8.7 The Company shall keep the Register at the Office in accordance with the Companies Law. If shares are held in an Uncertificated System the Authorised Operator shall be entered into the Register as the holder of the shares and the shares shall be registered as Uncertificated. The Company shall not at any time cause or permit to be kept in the United Kingdom or Canada any branch register or other register of the Members.

8.8 The Company shall not be bound to register more than four persons as the joint holders of any share or shares. In the case of a share held jointly by more than one person in Certificated form the Company shall not be bound to issue more than one certificate thereof and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

8.9 The Company may require that Members provide, and the Company (and any authorised third party agent or delegate of the Company) shall be entitled to use and disclose, any information or documentation in relation to Members and, if and to the extent required, the direct and indirect beneficial owner(s) (if any) of shares in the Company held by Members (if any), as may be necessary or desirable for the Company to comply with any reporting or other obligations and/or prevent or mitigate the withholding of tax under FATCA or Similar Legislation or other law.

9. **LIEN**

9.1 The Company shall have a first and paramount lien (extending to all dividends and distributions 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 the debts and liabilities of the holder to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person (other than such holder) and whether the time for payment or discharge shall have arrived or not and notwithstanding that the same are joint debts or liabilities of such holder and any other person (whether a Member or not) save that any shares held in an Uncertificated System must be fully paid up.

9.2 For the purpose of enforcing such lien, the Company may sell, in such manner as the Board thinks 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 14 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 Board may authorise some person to transfer to the purchaser thereof the shares so sold.

9.3 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.

10. **CALLS ON SHARES**

10.1 The Board may at any time make calls upon the Members in respect of any moneys unpaid on their shares and each Member shall pay to the Company at the time and place appointed the amount called. A call may be revoked or postponed.

- 10.2 Joint holders shall be jointly and severally liable to pay calls.
- 10.3 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 (not exceeding 15 per cent. per annum) as the Board may determine but the Board shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
- 10.4 Any sum which by the terms of issue of a share becomes payable on issue 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.
- 10.5 The Board may, if it thinks 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 Board 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 or distribution until the same would but for such advance become presently payable.
- 10.6 The Board may on an issue of shares differentiate between holders as to amount of calls and times of payment.

11. **FORFEITURE AND SURRENDER OF SHARES**

- 11.1 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.
- 11.2 The notice shall state a further day 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.
- 11.3 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.

- 11.4 If the Board has served a notice upon a Non-Qualified Holder pursuant to Article 12.14 and such holder has not sold or transferred his shares to a person who is not a Non-Qualified Holder within the required period, such shares shall be deemed forfeited and treated as such in accordance with Articles 11.5 to 11.9 below.
- 11.5 A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted and re-issued 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.
- 11.6 A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares. Where a Member fails to pay any call or instalment, that Member shall notwithstanding the forfeiture remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon from the date of forfeiture until payment at such rate (not exceeding 15 per cent. per annum) as the Board may determine and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 11.7 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.
- 11.8 A declaration in writing by a Director or the Secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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.
- 11.9 Where a Member fails to pay any call or instalment, the Company may receive and retain 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 and re-issue or disposal.

12. **TRANSFER AND TRANSMISSION OF SHARES**

- 12.1 Under and subject to the Regulations and the Rules, the Board shall have power to implement such arrangements as it may, in its absolute discretion, think fit in order for any class of shares to be admitted to settlement by means of an Uncertificated System. Where it does do so, the provisions of this Article 12 shall commence to have effect immediately prior to the time at which the relevant Authorised Operator admits the class to settlement by means of the relevant Uncertificated System.
- 12.2 In relation to any class of shares which, for the time being, an Authorised Operator has admitted to settlement by means of its Uncertificated System, and for so long as such class

remains so admitted, no provision of these Articles (including for the avoidance of doubt Article 6.4) shall apply or have effect to the extent that it is in any respect inconsistent with:-

12.2.1 the holding of shares of that class in Uncertificated form;

12.2.2 the transfer of title to shares of that class by means of an Uncertificated System; or

12.2.3 the Regulations or the Rules.

12.3 Without prejudice to the generality of Article 12.2 and notwithstanding anything contained in these Articles where any class of shares is, for the time being, admitted to settlement by means of an Uncertificated System:-

12.3.1 such securities may be issued in Uncertificated form in accordance with and subject as provided in the Regulations and the Rules;

12.3.2 unless the Board otherwise determines, such securities held by the same holder or joint holder in certificated form and Uncertificated form shall be treated as separate holdings;

12.3.3 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 Regulations and the Rules;

12.3.4 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 Uncertificated System and as provided in the Regulations and the Rules 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;

12.3.5 the Company shall comply in all respects with the Regulations and the Rules;

12.3.6 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; and

12.3.7 the permitted number of joint holders of a share shall be four.

12.4 Words and expressions not specifically defined in this Article shall bear the same meaning as those words and expressions defined in the Rules.

12.5 Subject to such of the restrictions of these Articles as may be applicable (including for the avoidance of doubt, Article 6.15):

12.5.1 any Member may transfer all or any of his Uncertificated shares by means of an Uncertificated System in such manner provided for and subject as provided in the Regulations and the Rules 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;

- 12.5.2 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
 - 12.5.3 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.
- 12.6 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 (if any) 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.
- 12.7 The Board may, in its absolute discretion and without giving a reason, decline to transfer, convert, or register any transfer of any share in Certificated form or (to the extent permitted by the Regulations and the Rules) Uncertificated form which is not fully paid or on which the Company has a lien provided, in the case of a listed share such refusal to register a transfer would not prevent dealings in the share from taking place on an open and proper basis on the relevant stock exchange. In addition, the Board may refuse to register a transfer of shares if:
- 12.7.1 it is in respect of more than one class of shares;
 - 12.7.2 it is in favour of more than four joint transferees;
 - 12.7.3 in the case of a share in Certificated form, having been delivered for registration to the Office or such other place as the Board may decide, it is not 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; or
 - 12.7.4 the transfer is in favour of any Non-Qualified Holder.
- 12.8 The Board may decline to register a transfer of an Uncertificated share which is traded through the Uncertificated System subject to and in accordance with the Regulations and the Rules, 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.
- 12.9 If the Board refuses to register the transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee.

- 12.10 To the extent permitted by the Laws the registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in the aggregate in any Calendar Year) as the Board may decide on giving notice in La Gazette Officielle and either generally or in respect of a particular class of share except that, in respect of any shares which are participating shares held in an Uncertificated System, the Register shall not be closed without the consent of the Authorised Operator.
- 12.11 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.
- 12.12 On the death of a Member, the survivors where the deceased was a joint holder and the executor or administrator 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.
- 12.13 A person so becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member or otherwise by operation of law (subject as hereinafter provided), upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, 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 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.
- 12.14 If it shall come to the notice of the Board that any shares are owned directly, indirectly, or beneficially by a Non-Qualified Holder, the Board may give notice to such person requiring him either (i) to provide the Board within thirty days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder; or (ii) to sell or transfer his shares to a person who is not a Non-Qualified Holder within thirty days (or fourteen days in the case of ERISA-related violations) and within such thirty days to provide the Board with satisfactory evidence of such sale or transfer. Pending such sale or transfer the Board may suspend the exercise of any voting or consent rights and rights to receive notice of, or attend, meetings of the Company and any rights to receive dividends or other distributions with respect to such shares, and the holder shall repay the Company any amounts distributed to such holder by the Company during the time such holder held such shares. If any person upon whom such a notice is served pursuant to this Article 12.14 does not within thirty days (or fourteen days in the case of ERISA-related violations) after such notice either (i) transfer his shares to a person who is not a Non-Qualified Holder or (ii) establish to the satisfaction of the Board (in its absolute discretion and whose judgment shall be final and binding) that he is not a Non-Qualified Holder, (a) the Board may determine in its absolute discretion that such person shall be deemed upon the

expiration of such thirty days (or fourteen days in the case of ERISA-related violations) to have forfeited his shares and the Board shall be empowered at their discretion to follow the procedure pursuant to Articles 11.3-11.9 or (b) to the extent permitted under the Regulations, the Board may arrange for the Company to sell the shares at the best price reasonably obtainable to any other person so that the shares will cease to be held by a Non-Qualified Holder, in which event the Company may, but only to the extent permitted under the Regulations, take any action whatsoever that the Board considers necessary in order to effect the transfer of such shares by the holder of such shares (including where necessary requiring the holder in question to execute powers of attorney or other authorisations, or authorising an officer of the Company to deliver an instruction to the Authorised Operator or the operator of any other Uncertificated System), and the Company shall pay the net proceeds of sale to the former holder upon its receipt of the sale proceeds and the surrender by the holder of the relevant share certificate or, if no certificate has been issued, such evidence as the Board may reasonably require to satisfy themselves as to the holder's former entitlement to the shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant shares or any claim against the Company in respect thereof. No trust will be created and no interest will be payable in respect of such net proceeds of sale.

13. ALTERATION OF CAPITAL

13.1 Subject as provided elsewhere in these Articles, the Company may by Ordinary Resolution:

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

13.1.2 subdivide all or any of its shares into shares of smaller amounts so, however, that in the 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;

13.1.3 redesignate or convert the whole, or any particular class, of its shares into shares of another class;

13.1.4 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 3 significant figures) current on the date of the resolution or on such other date as may be specified therein; and

13.1.5 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.

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

14. GENERAL MEETINGS

- 14.1 Subject to the Companies Law and these Articles, the first annual general meeting of the Company shall be held within a period of not more than eighteen months from the date on which the Company was incorporated. Subject to the Companies Law, an annual general meeting shall be held at least once in each Calendar Year provided that not more than 15 months may elapse between one annual general meeting and the next. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. Extraordinary general meetings and annual general meetings shall be held in Guernsey or such other place (outside the United Kingdom and Canada) as may be determined by the Board from time to time.
- 14.2 A Member participating by video link or telephone conference call or other electronic or telephonic means of communication in a meeting shall be treated as forming part of the quorum of that meeting provided that the Members present at the meeting can hear and speak to the participating Member.
- 14.3 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.
- 14.4 If the Board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The Board shall take reasonable steps to ensure that details of the date, time and place of the rearranged meeting are made available to any Member trying to attend the meeting at the original time and place. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, the appointment of a Proxy will be valid if it is received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting (so that no account shall be taken of any part of a day that is not a Business Day). The Board may also postpone or move the rearranged meeting under this Article.
- 14.5 The Members may require the Directors to call a general meeting in accordance with the Companies Law.
- 14.6 Any general meeting convened by the Members in accordance with the Companies Law shall be convened in the same manner (as nearly as possible) as that in which general meetings are convened by the Board.

15. NOTICE OF GENERAL MEETINGS

- 15.1 Unless special notice is required in accordance with the Companies Law, not less than 14 Clear Days' notice specifying the date, time and place of any general meeting and the text of any proposed Special Resolutions and Ordinary Resolutions and notice of the fact that the resolution proposed is proposed as a Special Resolution or Ordinary Resolution and the general nature of the business to be dealt with at the Meeting shall be given by notice sent by

any lawful means by the Secretary or other officer of the Company or any other person appointed by the Board for that purpose to such Members as are entitled to receive notices provided that with the consent in writing of all the Members entitled to receive notices of such meeting a meeting may be convened by a shorter notice or at no notice and in any manner they think fit.

- 15.2 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.
- 15.3 All Members are deemed to have agreed to accept communications from the Company by electronic means in accordance with Article 39.11.
- 15.4 A Member Present In Person at any meeting of the Company or of the holders of any class of shares in the Company, is deemed to have received notice of the meeting and, where required, of the purpose for which it was called.
- 15.5 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, has been duly given to a person from whom he derives his title.

16. PROCEEDINGS AT GENERAL MEETINGS

- 16.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, the quorum for a general meeting shall be two Members Present In Person.
- 16.2 If within thirty minutes from 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 five Business 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 16.5) no notice of adjournment need be given. Save as otherwise provided by these Articles on the resumption of an adjourned meeting, those Members Present In Person shall constitute the quorum.
- 16.3 The chairman of any general meeting shall be either:
- 16.3.1 the chairman of the Board;
 - 16.3.2 in the absence of the chairman, or if the Board has no chairman, then the Board shall nominate one of their number to preside as chairman;
 - 16.3.3 if neither the chairman of the Board nor the nominated Director are present at the meeting then the Directors present at the meeting shall elect one of their number to be the chairman;

- 16.3.4 if only one Director is present at the meeting then he shall be chairman of the general meeting; or
- 16.3.5 if no Directors are present at the meeting then the Members Present In Person shall elect a chairman for the meeting by an Ordinary Resolution.
- 16.4 The chairman of the general meeting shall conduct the meeting in such a manner as he thinks fit and may limit the time for Members to speak.
- 16.5 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 but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 Business Days or more 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.
- 16.6 In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon. In the case of a resolution duly proposed as an Ordinary Resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either (a) at least two Business Days prior to the date appointed for holding the meeting or adjourned meeting at which such Ordinary Resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been received by the Company or (b) the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote.
- 16.7 If an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 16.8 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:
- 16.8.1 by the chairman; or
- 16.8.2 not less than five Members having the right to vote on the resolution; or
- 16.8.3 one or more of the Members Present In Person representing, at least ten per cent. of the total voting rights of all of the Members having the right to vote on the resolution.
- The demand for a poll may be withdrawn.
- 16.9 Unless a poll is properly 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.

- 16.10 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.
- 16.11 If a poll is properly 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 some place and time fixed by him for the purpose of declaring the result of the poll.
- 16.12 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 30 days from the date of the meeting or adjourned meeting at which the poll was demanded. It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll.
- 16.13 In case of an equality of votes the chairman shall have a second or casting vote in addition to any other vote he may have.
- 16.14 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 of the relevant class.

17. **VOTES OF MEMBERS**

- 17.1 A Member shall not be entitled in respect of any share held by him to be Present In Person or take part in any proceedings or vote (either personally or by duly authorised corporate representative or by Proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting in respect of any share held by him unless all calls due from him in respect of that share have been paid. No Member shall be entitled to vote in respect of any shares unless he has been registered as their holder.
- 17.2 A Member shall not, if the Board so determines, be entitled in respect of any share held by him to attend to be Present In Person or take part in any proceedings or vote (either personally or by duly authorised corporate representative or by Proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting in respect of any share held by him if he or any other person appearing to be interested in such shares has failed to comply with a notice requiring the disclosure of Members' interests and given under Article 5 within 14 days, in a case where the shares in question represent at least 0.25 per cent. of the number of shares in issue of the class of shares concerned, or within 28 days, in any other case, from the date of such notice. The restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.
- 17.3 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 of the Company shall alone be entitled to vote.

- 17.4 Any Member being under any legal disability may vote by his curator or other legal guardian. Any of such persons may vote either personally or by Proxy.
- 17.5 On a poll votes may be given either personally or by Proxy and a Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A Proxy need not be a Member. An instrument of Proxy may be valid for one or more meetings.
- 17.6 No objection shall be raised to the qualification of any voter except at the meeting or the 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.
- 17.7 Subject to the provisions of the Companies Law, the instrument appointing a Proxy shall be in any common form or in such other form as the Directors may approve and (i) if in writing but not sent in electronic form, made 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 in that behalf, or (ii) if sent in electronic form, submitted by or on behalf of the appointor and authenticated.
- 17.8 The instrument appointing a Proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of that power or authority certified notarially or in some other way approved by the Directors shall:
- 17.8.1 in the case of an instrument in writing (including, whether or not the appointment of a Proxy is sent in electronic form, any such power of attorney or other authority) be deposited at the Company's registered office (or such other address as may be specified by the Company from time to time for the purpose of receiving documents) not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
- 17.8.2 in the case of an appointment sent in electronic form, where an address has been specified for the purpose of receiving documents of information sent in electronic form;
- (a) in the notice convening the meeting; or
- (b) in any instrument of Proxy sent out by the Company in relation to the meeting; or
- (c) in any invitation sent in electronic form to appoint a Proxy issued by the Company in relation to the meeting,
- be received at such an address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

17.8.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or

17.8.4 in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or any Director, the Secretary or some other person authorised by the Company,

and in calculating the periods mentioned in this Article 17.8 no account shall be taken of any part of a day that is not a Business Day.

17.9 The appointment of a Proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned, subject to Article 17.12.

17.10 The Directors have the discretion (but shall not be required) to treat as valid any appointment of a Proxy received after the relevant time for delivery or receipt specified in Article 17.8.

17.11 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.

17.12 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 (or such other address as may be specified by the Company from time to time for the purpose of receiving documents) before the commencement of the meeting or adjournment or the taking of the poll at which the Proxy is used.

17.13 Subject to the Companies Law, a Written Resolution to which the requisite majority of Eligible Members (including, for the avoidance of doubt, Members of a particular class) have within twenty-eight days of the date on which circulation of such Written Resolution, signified their agreement shall be as effective as if the same had been duly passed at a general meeting.

17.14 When two or more valid but differing appointments of a Proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The proceedings at a general meeting shall not be invalidated where an appointment of a Proxy in respect of that meeting is sent in electronic form as provided in these Articles, but because of a technical problem it cannot be read by the recipient.

17.15 Any corporation which is a Member may by resolution of its board of directors or other governing body authorise any one or more persons as it thinks fit to act as its representative(s) at any meeting of the Company or of any class of Members or to approve any resolution submitted in writing and each person so authorised shall be entitled to exercise

on behalf of the corporation which he, she or they represent the same powers (other than to appoint a Proxy) as that corporation could exercise if it were an individual Member, provided that if two or more representatives of one Member purport to exercise a power in respect of the same shares, then (i) if they exercise the power in the same manner, it shall be exercised in such manner; but (ii) if they exercise the power in a different manner, it shall be deemed not to have been exercised.

- 17.16 The provisions contained in this Article 17 are without prejudice to any special rights, restrictions or prohibitions as regards voting for the time being attached to any shares or class of shares.

18. NUMBER AND APPOINTMENT OF THE BOARD

- 18.1 The number of the Directors shall be not less than two and there shall be no maximum number unless otherwise determined by the Company by Ordinary Resolution. At no time shall a majority of the Board be resident in either of: (i) the United Kingdom for United Kingdom tax purposes; or (ii) Canada for Canadian tax purposes. Each Director shall immediately inform the Board and the Company of any change, potential or intended, to his residential status for tax purposes or otherwise.

- 18.2 Subject to Article 18.1, the Board shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Board but so that the total number of the Board shall not at any time exceed the number (if any) fixed pursuant to these Articles. Any person so appointed by the Board shall hold office only until the next annual general meeting and shall then be eligible for election in accordance with Article 18.3.

- 18.3 Subject to Article 18.1, at each annual general meeting of the Company, any Director:

18.3.1 who has been appointed by the Board since the last annual general meeting;

18.3.2 who held office at the time of the two preceding annual general meetings and who did not retire at either of them; or

18.3.3 who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting,

shall retire from office and may offer himself for re-appointment by the Members.

- 18.4 If, at a general meeting at which a Director retires, the Company neither re-elects that Director nor appoints another person to the Board in the place of that Director, the retiring Director shall, if willing to act, be deemed to have been re-elected unless at the general meeting it is resolved not to fill the vacancy or unless a resolution for the re-election of the Director is put to the meeting and not passed.

- 18.5 No person other than a Director retiring at a general meeting shall, unless recommended by the Board, be eligible for election by the Company to the office of Director unless not less than seven Clear Days but not more than 42 Clear Days before the date appointed for the meeting there shall have been left at the Office (or, if an electronic address has been specified by the Company for such purposes, sent to the Company's electronic address) a

notice in writing signed or authenticated in accordance with these Articles 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 and containing a declaration that he is not ineligible to be a Director in accordance with the Laws.

18.6 If:

18.6.1 any resolution or resolutions for the election or re-election of the persons eligible for election or re-election as Directors are put to the annual general meeting and lost; and

18.6.2 at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 18.1,

all retiring Directors who stood for re-election at that meeting (the "**Retiring Directors**") shall be deemed to have been re-elected as Directors and shall remain in office, but the Retiring Directors may only:

18.6.3 act for the purpose of filling vacancies and convening general meetings of the Company; and

18.6.4 perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations,

but not for any other purpose.

18.7 Without prejudice to the powers of the Board, the Company by Ordinary Resolution may appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of the Board shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles (and subject at all times to Article 18.1 and 18.6). Any person so appointed by the Board shall hold office only until the next annual general meeting and shall then be eligible for election.

18.8 At a general meeting a motion for the appointment of two 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 been first agreed to by the meeting without any vote being given against it.

18.9 A person must not be appointed as a Director unless he has, in writing, consented to being a director and declared that he is not ineligible to be a director under the Companies Law.

19. **QUALIFICATION AND REMUNERATION OF DIRECTORS**

19.1 A Director need not be a Member. A Director who is not a Member shall nevertheless be entitled to attend and speak at Members' meetings.

19.2 The Directors (other than any alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine provided that the aggregate amount of such fees (including fees, if any, due to the Directors

for attendance at meetings of any committee of the Board) for all the Board collectively shall not exceed £250,000 in any financial year, or such larger sum as may be determined from time to time by Ordinary Resolution of the Company. Any fees payable pursuant to these Articles shall be distinct from and shall not include any salary, remuneration for any executive office or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day.

- 19.3 The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors, including expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company, and all reasonable expenses properly incurred by them in seeking independent professional advice on any matter that concerns them in the furtherance of their duties as a Director. If by arrangement with the Board, any Director shall perform or render any special duties or services to, or at the request of, the Company outside his ordinary duties as a Director, he may be paid such reasonable additional remuneration as the Board may determine.
- 19.4 The Board shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

20. **ALTERNATE DIRECTORS**

- 20.1 Any Director may by notice in writing under his hand and deposited at the Office, or delivered at a meeting of the Board, appoint any person who fulfils the criteria contained in Article 20.2 as an alternate Director to attend and vote in his place at any meeting of the Board at which he is not personally present or to undertake and perform such duties and functions and to exercise such rights as he could personally and such appointment may be made generally or specifically or for any period or for any particular meeting and with and subject to any particular restrictions provided that the alternate director in question has provided notice in writing of his willingness and eligibility to act.
- 20.2 Subject to Article 18.1 every alternate Director shall either (a) be resident for tax purposes in the same jurisdiction as his appointor or (b) not be resident in either of: (i) the United Kingdom for United Kingdom tax purposes; or (ii) Canada for Canadian tax purposes, in each case for the duration of the appointment of that alternate Director and in either case shall also be eligible to be a Director of the Company under the Laws and shall sign a written consent to act.
- 20.3 Every alternate Director while he holds office as such shall be entitled:
- 20.3.1 if his appointor so directs the Secretary, to notice of meetings of the Board; and
- 20.3.2 to attend and to exercise (subject to any restrictions) all the rights and privileges of his appointor at all such meetings at which his appointor is not personally present and generally at such meetings to perform all functions of his appointor as a Director

and for the purposes of the proceedings at such meetings the provisions of these Articles shall apply as if he (instead of his appointor) were a Director.

- 20.4 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 deposited at the Office, or delivered at a meeting of the Board, or if such alternate Director (being a person who at the time of his appointment as an alternate Director was not resident for United Kingdom tax purposes, not within the United Kingdom) changes his position in that regard.
- 20.5 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 the exercise of his duties.
- 20.6 Subject to the foregoing provisions of this Article 20, 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. He shall not be counted more than once for the purposes of the quorum.
- 20.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be indemnified to the same extent *mutatis mutandis* as if he were a Director.

21. **BORROWING POWERS OF THE BOARD**

- 21.1 The Board may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property or assets (present or future) and uncalled capital and, subject to the provisions of the Companies Law, to issue debentures, loan stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 21.2 Subject to any applicable requirement of law, interest may be charged against the income of the Company or against the capital or partly one and partly the other as the Board may from time to time determine.
- 21.3 Any person lending money to any Group Company shall be entitled to assume that the relevant company is acting in accordance with its constitution and shall not be concerned to enquire whether such provisions have in fact been complied with.

22. **OTHER POWERS AND DUTIES OF THE BOARD**

- 22.1 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 Laws 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.

22.2 For the avoidance of doubt, the Board may make such Tax, regulatory or other filings, and may render periodic or other reports to governmental or other agencies having jurisdiction over the business of the Company or its assets as the Board may deem necessary or appropriate.

23. **POWERS OF ATTORNEY**

23.1 A power of attorney given by the Company shall be valid if executed by the Company under the common signature of the Company.

23.2 The Board may at any time by power of attorney appoint any person or any fluctuating body of persons (not resident in the United Kingdom) whether nominated directly or indirectly by the Board to be the attorney of the Company for such purposes and with such powers and discretion 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 discretion.

24. **DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST**

24.1 Subject to, and in accordance with, the Companies Law, a Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose to the Board (i) if the monetary value of the Director's interest is quantifiable, the nature and monetary value of that interest, or (ii) if the monetary value of the Director's interest is not quantifiable, the nature and extent of that interest, in each case unless the transaction or proposed transaction is between the Director and the Company, and is to be entered into in the ordinary course of the Company's business and on usual terms and conditions. A failure by a Director to comply does not affect the validity of a transaction entered into by the Company or the Director.

24.2 Subject to the provisions of the Companies Law, and provided that he has disclosed to the other Directors in accordance with the Companies Law the nature and extent of any material interest of his, a Director notwithstanding his office:

24.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company, or in which the Company is otherwise interested;

24.2.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

24.2.3 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise directly or indirectly interested in, any body corporate promoted by the Company, or with which the Company has entered into any transaction, arrangement or agreement or in which the Company is otherwise interested; and

- 24.2.4 shall not by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 24.3 For the purposes of this Article:
- 24.3.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent (including, if quantifiable, the nature and monetary value of that interest) specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 24.3.2 an interest of which a Director is unaware shall not be treated as an interest of his.
- 24.4 A Director shall be counted in the quorum at any meeting in relation to any resolution in respect of which he has declared an interest and he may vote thereon.
- 24.5 A Director may continue to be or become a director, managing director, manager or other officer, employee or member of any company promoted by the Company or in which the Company may be interested or with which the Company has entered into any transaction, arrangement or agreement, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or member of any such other company. 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 the directors, managing directors, managers or other officers of such company).
- 24.6 Any Director who, by virtue of office held or employment with any other body corporate, may from time to time receive information that is confidential to that other body corporate (or in respect of which he owes duties of secrecy or confidentiality to that other body corporate) shall be under no duty to the Company by reason of his being a Director to pass such information to the Company or to use that information for the benefit of the Company, in either case where the same would amount to breach of confidence or other duty owed to that other body corporate.

25. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 25.1 The office of a Director shall *ipso facto* be vacated:
- 25.1.1 if he (not being a person holding for a fixed term an executive office and subject to termination if he ceases from any cause to be a Director) resigns his office by giving one month's written notice signed by him and sent to or deposited at the Office;

- 25.1.2 if he dies;
- 25.1.3 if the Company requests that he resign his office by giving him one month's written notice;
- 25.1.4 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 12 months and the Board resolves that his office shall be vacated;
- 25.1.5 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 25.1.6 if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment;
- 25.1.7 if he is requested to resign by written notice signed by not less than 75 per cent. of his co-Directors (not being less than two in number);
- 25.1.8 if he becomes ineligible to be a Director in accordance with the Laws;
- 25.1.9 if the Company by Ordinary Resolution shall declare that he shall cease to be a Director; or
- 25.1.10 if he is not already resident and becomes resident in either of (i) the United Kingdom for UK tax purposes or (ii) Canada for Canadian tax purposes, and, as a result thereof, a majority of the Directors would, if he were to remain a Director, be resident in either of (i) the United Kingdom for UK tax purposes or (ii) Canada for Canadian tax purposes,

provided that until an entry of his office having been so vacated be made in the minutes of the Directors his acts as a Director shall be as effectual as if his office were not vacated.

- 25.2 No person shall be or become incapable of being appointed a Director by reason of having attained the age of 65 or any other age and no Director shall be required to vacate his office at any time by reason of the fact that he has attained the age of 65 or any other age.
- 25.3 Subject to Article 18.1, if the Company by Ordinary Resolution removes any Director before the expiration of his period of office it may by an 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.

26. **PROCEEDINGS OF DIRECTORS**

- 26.1 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 not have a second or

casting vote. All meetings of Directors shall take place in Guernsey, unless otherwise determined by the Board. Notwithstanding, all meetings of the Board shall take place outside of the United Kingdom and Canada, and any decision reached or resolution passed by the Directors at any meeting held within either of the United Kingdom and Canada or at which a majority of the Directors present at the meeting are resident in the United Kingdom for United Kingdom tax purposes or Canada for Canadian tax purposes (as the case may be) shall be invalid and of no effect.

- 26.2 A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Directors participates and all participants can hear and speak to each other shall be a valid meeting **PROVIDED THAT** no Directors physically present in either of the United Kingdom or Canada at the time of any such meeting may participate in a meeting by means of video link, telephone conference call or other electronic or telephonic means of communication and accordingly no Director physically present in either of the United Kingdom or Canada shall count in the quorum or be entitled to vote at any such meeting.
- 26.3 At least 5 Business Days' written notice of a meeting of the Board shall be given to each Director, unless all Directors otherwise agree. An agenda identifying in reasonable detail the issues to be considered shall be distributed in advance of the meeting and accompanied, as the matters for discussion may require, by a briefing pack prepared by the Secretary in Guernsey (or any alternate designated company officer or other delegated person in Guernsey).
- 26.4 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretion exercisable by the Board.
- 26.5 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 are no Directors able or willing to act then any one or more Members holding at least one tenth of the issued shares between them may summon a general meeting for the purpose of appointing a Director.
- 26.6 The Board may elect one of its 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 minutes after the time appointed for holding the same the Director present may choose one of their number to be chairman of the meeting.
- 26.7 The Board may delegate any of its powers to committees consisting of two or more Directors as they think fit, provided that such delegation shall not operate to the exclusion of the powers of the Board. Such committees shall consist of a majority of Directors that are not resident in either of (i) the United Kingdom for UK tax purposes or (ii) Canada for Canadian tax purposes, and shall meet only outside the United Kingdom and Canada. Any committee so formed shall be subject to the suspension of the Board and shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. The provisions of Article 26.1 shall apply to meetings of committees as they apply to meetings of the Board.

26.8 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, provided that only a meeting at which a majority of the Directors present are not resident in either of (i) the United Kingdom for UK tax purposes or (ii) Canada for Canadian tax purposes shall be declared quorate.

27. **EXECUTIVE DIRECTOR**

27.1 The Board may at any time appoint one or more of their body to be holder of any executive office including the office of managing Director on such terms and for such periods as they may determine.

27.2 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.

27.3 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.

28. **SECRETARY**

The secretary of the Company (if any) may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by the Directors. At no time shall the Secretary be resident in either of (i) the United Kingdom for UK tax purposes or (ii) Canada for Canadian tax purposes.

29. **COMMON SIGNATURE**

29.1 The common signature of the Company may be either:

29.1.1 **"Duke Royalty Limited"** with the addition of the signature(s) of one or more officer(s) of the Company authorised generally or specifically by the Directors for such purpose, or such other person or persons as the Directors may from time to time appoint; or

29.1.2 if the Board resolves that the Company shall have a common seal, the common seal of the Company affixed in such manner as these Articles may from time to time provide.

30. **THE SEAL**

30.1 The Company may have a common seal (the **"Seal"**) and if the Board resolves to adopt a Seal the following provisions shall apply.

30.2 The Seal shall have the Company's name engraved on it in legible letters.

30.3 The Board shall provide for the safe custody of the Seal in Guernsey, which shall only be used pursuant to a resolution passed at a meeting of the Board, or a committee of the Board

authorised to use the Seal, and in the presence either of two Directors or of one Director and the Secretary or of such person or persons as the Board may from time to time appoint, and such person or persons, as the case may be, shall sign every instrument to which the Seal is affixed.

- 30.4 The Company may have for use in any territory, district or place abroad an official seal which shall bear on its face the Company's name in legible characters with the addition of the name of the territory, district or place where it is to be used.

31. **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.

32. **DIVIDENDS AND DISTRIBUTIONS**

- 32.1 The Directors may from time to time authorise dividends and distributions (as those terms are defined under the Companies Law) to be paid to the Members in accordance with the procedure set out in the Laws and subject to any Member's rights attaching to their shares and the amount of such dividends or distributions paid in respect of one class may be different from that of another class. The declaration of the Directors as to the amount of the dividend or distribution available shall be final and conclusive.
- 32.2 All dividends and distributions declared in respect of a class of shares shall be approved by a majority of the Board and apportioned and paid among the holders of shares of such class *pro rata* to their respective holdings of shares of such class.
- 32.3 The Directors may, in relation to any dividend or distribution, direct that the dividend or distribution shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares, debentures, or other securities of any other company, and where any difficulty arises in regard to the dividend or distribution the Directors may settle it as they think expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for dividend and distribution purposes of any assets or any part thereof and may determine that cash shall be paid to any Members upon the footing of the value so fixed in order to secure equality of dividend or distribution and may vest any assets the subject of a dividend or distribution in trustees as may seem expedient to the Directors.
- 32.4 In computing amounts available for dividend or distribution, if relevant the Board may be entitled to charge up to one hundred per cent. of the fees of the Company's service providers and finance costs and other expenses to capital.

- 32.5 The Board may, subject to such terms and in such manner as they may determine, issue shares in *lieu* of dividends in accordance with section 306 of the Companies Law.
- 32.6 The Board may deduct from any dividend or distribution 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.
- 32.7 The Board may retain any dividend or distribution 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.
- 32.8 The Board may retain dividends or distributions payable upon shares in respect of which any person is entitled to become a Member until such person has become a Member.
- 32.9 Any dividend or distribution or other moneys payable on or in respect of a share shall be paid to the Member or to such other person as the Member (or, in the case of joint holders of a share, all of them) may in writing direct. Such dividend or distribution or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) (if so authorised by the holder of shares in Uncertificated form) using the facilities of the relevant Uncertificated System (subject to the facilities and requirements of the relevant Uncertificated System), or (iv) by such other method of payment as the Member (or in the case of joint holders of a share, all of them) may agree to. Every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby, and payment of a cheque by the banker upon whom it is drawn, and any transfer or payment within (ii), (iii) or (iv) above, shall be a good discharge to the Company.
- 32.10 No dividend or distribution or other moneys payable on or in respect of a share shall bear interest against the Company.
- 32.11 All unclaimed dividends or distributions 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 as trustee in respect thereof. All dividends unclaimed on the earlier of (a) the expiry of a period of seven years after the date when it first became due for payment and (b) the date on which the Company is wound up shall be forfeited and shall revert to the Company without the necessity for any declaration or other action on the part of the Company.
- 32.12 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or distribution or other moneys payable on or in respect of a share may be paid in such currency as the Board may determine, using such exchange rate for currency conversions as the Board may select.
- 32.13 The Company may cease to send any cheque, warrant or order by intra-bank transfer for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends or distributions payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed or the intra-bank transfer is rejected but, subject to the provisions of these Articles, shall recommence sending cheques, warrants, orders or intra-bank transfers in respect of the dividends or distributions payable on those

shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

- 32.14 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give effectual receipts for any dividend or distribution or other moneys payable or property distributable on or in respect of the share.
- 32.15 Any resolution for the declaration or payment of a dividend or distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or distribution shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend or distribution of transferors and transferees of any such shares.
- 32.16 The waiver in whole or in part of any dividend or distribution on any share shall be effective only if such waiver is in writing signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.
- 32.17 Notwithstanding any other provision of these Articles, the Board is authorised to take any action that may be required to be necessary or appropriate to cause the Company to comply with any withholding, reporting and other requirements established under the U.S. Code or any other U.S. or non-U.S. federal, state or local Law, including pursuant to FATCA and Similar Legislation. To the extent that the Company or any Investment Undertaking is required or elects to withhold and pay over to any taxing authority any amount payable to a Member by the Company, the Directors may deduct such amount (and associated costs and expenses) from any dividend, distribution or other amount payable to a Member and may take any steps necessary to effectuate such withholding, deduction or payment of tax.

33. **SCRIP DIVIDENDS**

- 33.1 The Directors may, at their discretion and in respect of any dividend declared or proposed to be declared, determine and announce, prior to or contemporaneously with their announcement of the dividend in question and any related information as to the Company's profits for such financial period or part thereof, that Members will receive in lieu of such dividend (or part thereof) an allotment of additional Ordinary Shares credited as fully paid. In any such case the following provisions shall apply:
- 33.1.1 The basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value (calculated by reference to the market price) of the additional shares (including any fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amounts determined by the Directors as being available as a dividend. For the purposes of this Article, "**market price**" shall mean the average of the middle market quotations (as derived from Bloomberg) for one

Ordinary Share for each of five (5) Business Days on which the shares are quoted immediately preceding the declaration of the dividends.

- 33.1.2 The Directors shall give notice in writing or by way of electronic communication to the Members of the right of election accorded to them and shall send with or following such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective.
- 33.1.3 The dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "**Elected Shares**"), and in lieu thereof additional shares shall be allotted to the holders of the Elected Shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise, out of such of the sums standing to the credit of reserves (including the share capital account (if any) or capital redemption reserve fund) or profit and loss account of the Company as the Directors may determine, a sum equal to the aggregate price of additional shares to be calculated as set out above and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the Elected Shares on such basis.
- 33.1.4 The additional shares so allotted shall rank pari passu in all respects with the fully paid shares then in issue save only as regards participation in the relevant dividend (or share election in lieu).
- 33.1.5 The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the interested Members into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.
- 33.1.6 The Directors may from time to time determine that rights of election shall not be made available to any Members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
- 33.1.7 For the purposes of this Article, holdings of Certificated shares and of Uncertificated shares shall be treated as different holdings.

34. **RESERVES**

The Board may from time to time carry to reserve such sums as they think proper which, at the discretion of the Board, shall be applicable for any purpose to which such sums may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward such sums.

35. **CAPITALISATION OF RESERVES**

35.1 The Board in its absolute discretion may 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 retained earnings account or otherwise available for distribution, and accordingly that the sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend 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 issued and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other.

35.2 Whenever such a resolution as aforesaid shall have been passed the Board shall make all the appropriations and applications of the sums resolved to be capitalised thereby, and all issues of fully paid shares, if any, and generally shall do all acts and things required to give effect thereto with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares becoming distributable in fractions including by aggregating and selling them. For the purposes of effecting any such sale, the Board may arrange for the shares representing the fractions to be entered in the Register as Certificated shares. The shares representing fractions may be sold to any person, including the Company, and the Board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered 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 in, or invalidity of the proceedings relating to the sale. The Board may also authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the issue to them respectively, credited as fully paid up, 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 profits 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.

36. **ACCOUNTS**

36.1 The Board shall cause proper books of account to be kept with respect to all the transactions assets and liabilities of the Company in accordance with the Laws.

- 36.2 Subject to the Laws the books of account shall be kept at the Office or at such other place outside the United Kingdom or Canada as the Board shall think fit and shall at all times be open to the inspection of the Directors and the Secretary.
- 36.3 Accounts complying with the provisions of the Companies Law (which for the avoidance of doubt include a profit and loss account and a balance sheet) shall be prepared by the Company. The accounts shall be accompanied by a report of the Directors stating the principal activities and the state and condition of the Company. The accounts and Directors' report shall be signed on behalf of the Directors by at least one of them.
- 36.4 A copy of the Directors' report and balance sheet with the Auditor's report (if any) attached thereto shall be delivered to every Member within twelve months after the end of the financial year to which they relate:
- 36.4.1 by sending it through the post addressed to the Member at his registered address or by leaving it at that address addressed to the Member; or
- 36.4.2 where appropriate, by sending or supplying it in electronic form to an address notified by the Member to the Company.

37. **AUDITORS**

- 37.1 A Director shall not be capable of being appointed as an Auditor.
- 37.2 A person other than a retiring Auditor shall not be capable of being appointed Auditor at an ordinary general meeting unless notice of intention to nominate that person as Auditor has been given by a Member to the Company not less than 14 days before the meeting and the Board shall send a copy of any such notice to the retiring Auditor and shall give notice to the Members not less than 7 days before the meeting provided that if after notice of the intention to nominate an Auditor has been so given a meeting is called for a date 14 days or less after such notice has been given the requirements of this provision as to time in respect of such notice shall be deemed to have been satisfied and the notice to be sent or given by the Company may instead of being sent or given within the time required by this Article be sent or given at the same time as the notice of the meeting.
- 37.3 For so long as required by the Laws, the first Auditor shall be appointed by the Board before the first annual general meeting and they shall hold office until the first annual general meeting unless previously removed in which case the Members at such meeting may appoint the Auditor.
- 37.4 The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor (if any) may act.
- 37.5 The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Company may determine except that the remuneration of any Auditor appointed by the Board shall be fixed by the Board.
- 37.6 Every Auditor shall have a right of access at all times to the books accounts and documents of the Company and as regards books accounts and documents of which the originals are not

readily available shall be entitled to rely upon copies or extracts certified by an officer of the Company and shall be entitled to require from the Board such information and explanations as may be necessary for the performance of their duties and the Auditors shall make a report to the Members on the accounts examined by them and the report shall state whether in their opinion the accounts give a true and fair view of the state of the Company's affairs and whether they have been prepared in accordance with the Laws.

37.7 Any Auditor shall be eligible for re-election.

38. UNTRACEABLE MEMBERS

38.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Member or any shares to which a person is entitled by transmission on death or bankruptcy if and provided that:

38.1.1 for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Member or to the person so entitled to the share at his address in the Register or otherwise the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person so entitled provided that in such period of 12 years, the Company has paid out at least three dividends whether interim or final; or

38.1.2 the Company has at the expiration of the said period of 12 years by advertisement in a newspaper circulating in the area in which the address referred to in Article 38.1.1 above is located given notice of its intention to sell such shares;

38.1.3 the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person so entitled; or

38.1.4 if any part of the share capital of the Company is quoted on any stock exchange and the rules of such stock exchange so require, the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such shares.

38.2 To give effect to any such sale the Board may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer of the said shares shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, such shares and the title of the purchaser or other transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company

or invested in such investments (other than shares of the Company) as the Board may from time to time think fit.

39. **NOTICES**

39.1 A notice, document or other information may be given by the Company to any Member either:

39.1.1 personally; or

39.1.2 by sending it by prepaid post addressed to such Member at his registered address; or

39.1.3 where appropriate, by sending or supplying it in electronic form to an address notified by the Member for that purpose;

39.1.4 by publishing it in La Gazette Officielle; or

39.1.5 where appropriate, by publication on a website in accordance with these Articles.

39.2 Notices to be posted to addresses outside the Channel Islands and the United Kingdom shall so far as practicable be forwarded by prepaid airmail. The Company may at any time and in its sole discretion choose to serve, send or supply notices, documents or other information in hard copy form alone to some or all Members.

39.3 Unless the Companies Law shall specify or permit otherwise a notice shall, unless the contrary is shown, be deemed to have been received:

39.3.1 in the case of a notice sent by post to an address in the United Kingdom, Channel Islands or the Isle of Man, on the third day after the day of posting;

39.3.2 in the case of a notice sent by post elsewhere by airmail, on the seventh day after posting;

39.3.3 in the case of a notice sent by electronic means, at the expiration of twenty four hours after the time it was sent in accordance with Article 39.6,

excluding, in the first two cases, any day which is a Saturday, Sunday, Good Friday, Christmas Day, a bank holiday in Guernsey or a day appointed as a day of public thanksgiving or public mourning in Guernsey. A notice given by advertisement shall be published in at least one UK national newspaper and one daily newspaper circulated widely in each of Guernsey and Jersey and shall be deemed to have been served before noon on the day on which the advertisement appears. A notice given by publication in La Gazette Officielle shall also be deemed to have been served before noon on the day on which the notice appears in La Gazette Officielle.

39.4 Any notice, document or other information may be served, sent or supplied by the Company to the joint holders of a share by serving, sending or supplying the same to the joint holder first named in the Register in respect of the share.

- 39.5 Any notice, document or other information served, sent or supplied by post or in electronic form (including by publications on a website in accordance with these Articles) to, or left at the registered 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 or delivered in respect of any share registered in the name of such Member as sole or joint holder and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice, document or other information on all persons interested (whether jointly with or as claiming through or under him) in any such share.
- 39.6 Any document notice, document or other information which, in accordance with these Articles and subject to Article 39.10, may be sent by the Company by electronic communication shall, if so sent, be deemed to be received at the expiration of twenty-four hours after the time it was sent. Proof (in accordance with the formal recommendations of best practice contained in the guidance issued by the Institute of Chartered Secretaries and Administrators) that an electronic communication was sent by the Company shall be conclusive evidence of such sending.
- 39.7 Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this Article.
- 39.8 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.
- 39.9 A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law, upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, and upon supplying also a postal address or an address for the purposes of communications by electronic means for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice, document or other information to which the said Member would have been entitled or, where applicable, may be notified at that address of the availability of the notice or document on a website, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice, document or other information on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 39.10 If there is a suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom, the Company need only give notice of a general meeting to those Members with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one newspaper with a national circulation in the United Kingdom and one daily newspaper circulated widely in each of Guernsey and Jersey, and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof. If, at least six Clear Days prior to the meeting, the sending or supply of notices by post in hard copy form has again become generally possible, the Company shall

send or supply confirmatory copies of the notice by post to those Members who would otherwise receive the notice in hard copy form.

39.11 For the purposes of this Article:

39.11.1 a notice, document or other information may be served, sent or supplied by the Company in electronic form to a Member who has agreed (generally or specifically) that notices, documents or information can be sent or supplied to them in that form and has not revoked such agreement;

39.11.2 where the notice, document or other information is served, sent or supplied by electronic means, it may only be served, sent or supplied to an address specified for that purpose by the intended recipient;

39.11.3 a notice, document or other information may be served, sent or supplied by the Company to a Member by being made available on a website if the Member has agreed (generally or specifically), or pursuant to Article 39.11.4 below is deemed to have agreed, that notices, document or information can be sent or supplied to the Member in that form and has not revoked such agreement;

39.11.4 all Members shall be deemed to have agreed to receive notices, documents or other information generally, or specific notices, documents or other information from the Company by means of a website in accordance with Article 39.11.3 above. A Member can revoke any such deemed agreement in accordance with Article 39.11.8 below;

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

39.11.6 if a notice, document or other information is served, sent or supplied by means of a website, the Company must notify the intended recipient of: (i) the presence of the notice, document or information on the website; (ii) the address of the website; (iii) the place on the website where it may be accessed; (iv) how to access the notice, document or information; and (v) (if it is a notice relating to a shareholders' meeting) stating (a) that the notice concerns a notice of a company meeting served in accordance with the Companies Law, (b) the place, date and time of the meeting, (c) whether the meeting is to be an annual or extraordinary general meeting and (d) such other information as the Laws may prescribe;

39.11.7 any notice, document or other information made available on a website will be maintained on the website for the period of 28 days beginning with the date on which notification is given under Article 39.11.6 above, or such shorter period as may be decided by the Directors. A failure to make a notice, document or other information available on a website throughout the period mentioned in this Article 39.11.7 shall

be disregarded if: (i) it is made available on the website for part of that period; and (ii) the failure to make it available throughout that period is wholly attributable to circumstances that it would not be reasonable for the Company to prevent or avoid;

39.11.8 any amendment or revocation of a notification given to the Company or agreement (or deemed agreement) under this Article shall only take effect if in writing, signed (or authenticated by electronic means) by the Member and on actual receipt by the company thereof; and

39.11.9 communications sent to the Company by electronic means shall not be treated as received by the Company if rejected by computer virus protection arrangements.

39.12 Where under these Articles a document requires to be signed by a Member or other person then, if in the form of an electronic communication, it must, to be valid, incorporate the electronic signature or personal identification details (which may be details previously allocated by the Company) of that Member or other person, in such form as the Board may approve, or be accompanied by such other evidence as the Board may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

40. **WINDING UP**

40.1 Subject to the rights of the holders of any Subscription Shares in a winding up pursuant to Article 46.8, if the Company shall be wound up, the surplus assets remaining after payment of all creditors, including the repayment of bank borrowings, shall be divided *pari passu* among the holders of Ordinary Shares *pro rata* to their holdings of those shares which are subject to the rights of any shares which may be issued with special rights or privileges.

40.2 Subject to the rights of the holders of any Subscription Shares in a winding up pursuant to Article 46.8, if the Company shall be wound up the Liquidator may with the authority of a Special Resolution divide among the holders of Ordinary Shares in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind and may for such purposes set such value as he deems fair upon any one or more class or classes or property and may determine how such division shall be carried out as between such holders. The Liquidator may with the like authority vest any part of the assets in trustees upon such trusts for the benefit of the holders as the Liquidator with the like authority shall think fit and the liquidation of the Company may be closed and the Company dissolved but so that no holder shall be compelled to accept any shares or other assets in respect of which there is any outstanding liability.

40.3 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 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 holders of Ordinary Shares or may enter into any other arrangement whereby the holders of Ordinary Shares

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.

41. **INDEMNITY**

41.1 The Directors, Secretary and other officers or employees of the Company shall be indemnified out of the assets of the Company to the fullest extent permitted by the Companies Law from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by reason of any contract entered into or any act done, concurred in or omitted, in or about the execution of their duty or supposed duty or in relation thereto.

41.2 An alternate Director is entitled to be indemnified under this clause as if he were a Director.

41.3 The Directors may without the sanction of the Company in general meeting authorise the purchase or maintenance by the Company for any officer or former officer of the Company of any insurance which is permitted by the Companies Law in respect of any liability which would otherwise attach to such officer or former officer.

42. **INSURANCE**

Without prejudice to any other provisions of these Articles, and to the fullest extent permitted by the Companies Law, the Board 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 Group Company 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 discretion 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.

43. **INSPECTION OF DOCUMENTS**

Subject to Article 36.2, the Board shall determine whether and to what extent and at what times and places and under what conditions the accounts books and documents of the Company shall be open to inspection and no Member shall have any right of inspecting any account or book or document except as conferred by the Laws or authorised by the Board.

44. **SUBSCRIPTION SHARES**

44.1 The Company may issue shares in the capital of the Company for the time being as Subscription Shares and having the rights set out in this Article 44.

44.2 A registered holder for the time being of Subscription Shares (a “**Subscription Shareholder**”) shall have the right (“**Subscription Rights**”) to convert all or any of his Subscription Shares into fully paid Ordinary Shares on the basis of one Ordinary Share for

every Subscription Share so converted and so on in proportion for any greater or lesser number of Subscription Shares by:

44.2.1 subscribing in cash on the last Business Day in each calendar month (each a “Subscription **Date**”) for all or any of the Ordinary Shares for which it is entitled to subscribe in respect of such Subscription Shares of which it is the holder at the price £0.70 per Ordinary Share (the “**Subscription Price**”) payable in full on subscription with the final Subscription Date being the last Business Day in July 2015 (the “**Final Subscription Date**”); and

44.2.2 otherwise complying with Article 44.4 or 44.5 (as the case may be) below.

The number of Ordinary Shares to which each Subscription Share relates is one Ordinary Share, but the Subscription Price (and the number of Subscription Shares outstanding) will be subject to adjustment as provided in Article 45 (*Adjustment of Subscription Rights*) below. Each Subscription Share converted in accordance with this Article shall be cancelled immediately following conversion.

44.3 Subscription Shares will be issued in registered form and may be held in either Certificated form (“**Certificated Subscription Shares**”) or Uncertificated form (“**Uncertificated Subscription Shares**”). In the case of:

44.3.1 Certificated Subscription Shares, a Subscription Shareholder will be entitled to a share certificate in respect of his holding of Subscription Shares; and

44.3.2 Uncertificated Subscription Shares, a Subscription Shareholder's title to such Subscription Shares will be recorded in the relevant register as being held in such form as will by virtue of the Regulations enable the transfer of title to the Subscription Shares to be effected without a written instrument by means of a relevant electronic system (a “**Relevant Electronic System**”).

44.4 In order to exercise the Subscription Rights in respect of any Certificated Subscription Shares on any Subscription Date, in whole or in part, a Subscription Shareholder must lodge the relevant Subscription Share certificate(s) (or such other document as the Board may, in its discretion, accept) at the office of the Registrar during the period of 28 days ending at 3.30 p.m. on the relevant Subscription Date having completed the appropriate notice of exercise of Subscription Rights, accompanied by a remittance for the Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are being exercised. Any notice of exercise received after 3.30 p.m. on any Business Day will be treated as having been exercised on the following Business Day. The Directors may accept as valid, notices of exercise of Subscription Rights which are received after the relevant Subscription Date (“**Certificated Subscription Notice**”) provided they are accompanied by the correct remittance, as detailed in this Article. Once lodged, a notice of exercise of Subscription Rights shall be irrevocable save with the consent of the Directors. All persons exercising Subscription Rights must also comply with all applicable statutory and regulatory requirements.

- 44.5 The Subscription Rights which are conferred by any Uncertificated Subscription Shares shall be exercisable, in whole or in part, (and treated by the Company as exercised) on the relevant Subscription Date if, not later than 1.00 p.m. on the relevant Subscription Date (i) an Uncertificated Subscription Notice is received as referred to in this Article and (ii) a remittance for the aggregate Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are being exercised is received by the Company (or by such person as it may require for these purposes). For the purpose of this Article 44, an “**Uncertificated Subscription Notice**” means a properly authenticated Dematerialised Instruction and/or other instruction or notification received by the Company (or by such person as it may require for these purposes) in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the regulations and the facilities, rules and requirements of the relevant Uncertificated System). The Directors may, in addition but subject to the regulations and facilities and requirements of the Uncertificated System (including the Regulations) determine when any such properly authenticated Dematerialised Instruction and/or other instruction or notification and any such remittance is to be treated as received by the Company or by such person as it may require for these purposes. Without prejudice to the generality of the foregoing, the effect of the Uncertificated Subscription Notice may be such as to divest the Subscription Shareholder concerned of the power to transfer such Subscription Shares to another person. Once lodged, an Uncertificated Subscription Notice shall be irrevocable save with the consent of the Directors. To be effective, compliance must also be made with any statutory and regulatory requirements for the time being applicable.
- 44.6 Not earlier than 56 days nor later than 28 days before the Final Subscription Date, the Company shall give notice in writing to the holders of the outstanding Subscription Shares reminding them of their Subscription Rights and, in relation to any Uncertificated Subscription Shares, stating the form of Uncertificated Subscription Notice prescribed by the Directors.
- 44.7 Ordinary Shares issued pursuant to the exercise of Subscription Rights which are conferred by any Certificated Subscription Shares shall be allotted within ten (10) Business Days of the relevant Subscription Date. The Ordinary Shares arising on exercise of the Subscription Rights shall be allotted with effect from the date of their allotment (and not the date upon which the Certificated Subscription Notice is given or deemed given in accordance with Article 44.4 above). Certificates in respect of such Ordinary Shares, together, if applicable, with a new certificate for the balance of any Certificated Subscription Shares in respect of which the Subscription Rights have not been exercised, will be dispatched (at the risk of the person(s) entitled thereto) not later than twenty eight (28) days after the relevant allotment date to the person(s) in whose name(s) the Subscription Share is registered at the date of exercise (and, if more than one, to the first-named, which shall be sufficient despatch for all) or to such other person(s) (not being more than four in number) as may be named in the form of nomination available for the purpose from the Company's registrars (and, if more than one, to the first-named, which shall be sufficient despatch for all).
- 44.8 Ordinary Shares issued pursuant to the exercise of Subscription Rights which are conferred by any Uncertificated Subscription Shares shall be allotted within ten (10) Business Days of the relevant Subscription Date. The Ordinary Shares arising on exercise of the Subscription Rights shall be allotted with effect from the date of their allotment (and not the date upon

which the Uncertificated Subscription Notice is given or deemed given in accordance with Article 44.4 above). The Company shall procure that the appropriate instructions are given to enable such Ordinary Shares to be credited in uncertificated form to the relevant account within the relevant Uncertificated System of the person(s) in whose name(s) the Subscription Shares in respect of which the Subscription Rights have been exercised were registered as at the date of such exercise or to such terms and conditions as the Directors may from time to time prescribe for this purpose, to the regulations, and the facilities, rules and requirements of the relevant Uncertificated System) to such other person(s) (not being more than four in number) as may be named in the properly authenticated Dematerialised Instruction and/or other instruction or notification in such form.

- 44.9 For the avoidance of doubt, unless the Directors otherwise determine or unless the regulations or the facilities, rules or requirements of the relevant Uncertificated System (including the Regulations) otherwise require, the Ordinary Shares issued on the exercise of any Subscription Rights shall be issued in Certificated form where such Subscription Rights were conferred by Certificated Subscription Shares and in Uncertificated form where such Subscription Rights were conferred by Uncertificated Subscription Shares.
- 44.10 Ordinary Shares allotted pursuant to the exercise of Subscription Rights will not rank for any dividends or other distributions declared, paid or made on the Ordinary Shares by reference to a Record Date prior to the relevant Subscription Date but, subject thereto, will rank in full for all dividends and other distributions declared, paid or made on the Ordinary Shares and otherwise will rank *pari passu* in all other respects with the Ordinary Shares in issue at the relevant Subscription Date.
- 44.11 Whilst the Company has any of its shares admitted to trading on AIM, or any successor market or any other market operated by the London Stock Exchange, it will apply to the London Stock Exchange for the Ordinary Shares allotted pursuant to any exercise of Subscription Rights to be so admitted.
- 44.12 (a) If, immediately after any Subscription Date (other than the Final Subscription Date) and after giving effect to any Subscription Rights exercised on that date, Subscription Rights shall have been exercised in respect of 75 per cent. or more of the Ordinary Shares to which the total number of Subscription Shares issued relate (excluding any Ordinary Shares to which Subscription Rights attached to Subscription Shares purchased by the Company or any of its subsidiaries relate), the Company shall be entitled within fourteen (14) days thereafter to serve notice in writing on the holders of the Subscription Shares then outstanding of its intention to appoint a trustee for the purposes set out below upon the expiry of twenty one (21) days from the date of such notice (the “**Notice Period**”) and for this purpose the Notice Period shall expire at 3.30 p.m. upon the twenty first day. Such notice shall in its terms give the holders of the Subscription Shares so outstanding a final opportunity to exercise their Subscription Rights in the manner set out at Articles 44.4 and 44.5 above before the expiry of the Notice Period.
- (b) Forthwith after the expiry of the Notice Period, the Company shall appoint a trustee who, provided that in his opinion the net proceeds of sale after deduction of all costs

and expenses incurred by him will exceed the costs of subscription, shall within the period of fourteen (14) days following the expiry of the Notice Period, exercise the Subscription Rights which shall not have been exercised on the terms (subject to any adjustments pursuant to Article 45.1 to 45.5 below) on which the same could have been exercised immediately prior to the expiry of the Notice Period if they had been exercisable and been exercised and sell in the market the Ordinary Shares acquired on such subscription.

- (c) The trustee shall distribute pro rata the net proceeds of such sale less such subscription costs and such other costs and expenses to the persons entitled thereto within two (2) months of the relevant Subscription Date, provided that entitlements of under £3.00 shall be retained for the benefit of the Company.
 - (d) Following the expiry of the Notice Period, if the trustee has not exercised the Subscription Rights within the period of fourteen (14) days following such expiry as aforesaid (and his decision in respect thereof shall be final and binding on all holders of outstanding Subscription Shares), all Subscription Rights shall lapse and all outstanding Subscription Shares shall be converted into special deferred shares in accordance with Article 44.13 below) ("**Special Deferred Shares**").
- 44.13
- (a) One Special Deferred Share of nil par value shall be issued for each Subscription Share converted in accordance with this Article. Each Subscription Share converted in accordance with this Article shall be cancelled immediately following conversion.
 - (b) Special Deferred Shares shall only be issued by the Company in Certificated form.
 - (c) The holders of Special Deferred Shares shall have no right to participate in the profits of the Company, including for the avoidance of doubt the payment of dividends, nor shall they have the right to receive notice of or to attend or vote at any general meeting of the Company.
 - (d) The conversion of Subscription Shares into Special Deferred Shares in accordance with this Article shall be deemed to confer irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof, to such person as the Company may determine as custodian thereof and to cancel and/or purchase the same without making the payment to or obtaining the sanction of the holder thereof and pending such transfer and/or cancellation and/or purchase to retain the certificate for such shares. The Company may at its option at any time after the creation of any Special Deferred

Shares redeem all or any of the Special Deferred Shares then in issue, at a price not exceeding one pence for all the Special Deferred Shares redeemed.

- 44.14 Within seven (7) days following the Final Subscription Date, the Company shall appoint a trustee who, provided that in his opinion the net proceeds of sale after deduction of all costs and expenses incurred by him will exceed the costs of subscription, shall within the period of fourteen (14) days following such Final Subscription Date exercise the Subscription Rights which shall not have been exercised on the terms on which the same could have been exercised on the Final Subscription Date and sell in the market the Ordinary Shares acquired on such subscription. The trustee shall distribute pro rata the net proceeds of such sale less such subscription costs and such other costs and expenses to the persons entitled thereto at the risk of such persons within two (2) months of the Final Subscription Date, provided that entitlements of under £3.00 shall be retained for the benefit of the Company. If the trustee shall not exercise the Subscription Rights within the period of fourteen (14) days following such final subscription as aforesaid (and his decision in respect thereof shall be final and binding on all holders of outstanding Subscription Shares), all Subscription Rights shall lapse and all outstanding Subscription Shares shall be converted into Special Deferred Shares.
- 44.15 The trustee referred to in Articles 44.12 and 44.14 above shall have no liability of any nature whatsoever PROVIDED he has acted honestly and reasonably and shall have no responsibility for the safe custody of, or to earn any interest on, any unpaid or unclaimed money.
- 44.16 To facilitate conversion of the Subscription Shares pursuant to this Article 44, the Directors may, and are hereby authorised to, capitalise any part of the amount then standing to the credit of any of the Company's reserve accounts (whether or not the same would lawfully be distributable by way of cash dividend) or to the credit of the stated capital account, capital redemption reserve, profit and loss account or otherwise available for the purpose and the same shall be applied in paying up in full the shares created and to be issued pursuant to the preceding articles above (or such of those shares as shall not have been created and issued pursuant to such articles) to be allotted and issued, credited as fully paid, to and amongst the holders of the Subscription Shares exercising their Subscription Rights in accordance with their respective entitlements.

45. **ADJUSTMENT OF SUBSCRIPTION RIGHTS**

The Subscription Price (and the number of Subscription Shares in issue at the relevant time) shall from time to time be adjusted in accordance with the provisions of this Article 45:

- 45.1 If and whenever there shall be an alteration in the amount of the Ordinary Shares as a result of a consolidation or a sub-division, the Subscription Price in force immediately prior to such alteration shall be adjusted in such manner as the Company's auditors shall report in writing to be in their opinion fair and reasonable, and such adjustment shall become effective on the date the alteration takes effect.
- 45.2 If and whenever the Company shall allot to Shareholders any Ordinary Shares credited as fully paid by way of capitalisation of reserves or profits (other than

Ordinary Shares paid up out of distributable reserves and issued in lieu of a cash dividend), the Subscription Price in force immediately prior to such allotment shall be adjusted by multiplying it by a fraction of which the numerator shall be the aggregate amount of the issued Ordinary Shares immediately before such allotment and the denominator shall be the aggregate amount of the issued and allotted Ordinary Shares immediately after such allotment, and such adjustment shall become effective as at the date of allotment of such Ordinary Shares;

- 45.3 No adjustment will be made to the Subscription Price pursuant to Articles 45.1 or 45.2 above (other than by reason of a consolidation or sub-division of Ordinary Shares as referred to in Article 45.1 above) if it would result in an increase in the Subscription Price and, in any event, no adjustment will be made if such adjustment would (taken together with the amount of any adjustment carried forward under the provisions of this Article 45.3) be less than one per cent. of the Subscription Price then in force and on any adjustment the adjusted Subscription Price will be rounded down to the nearest penny. Any adjustment not so made and any amount by which the Subscription Price is rounded down shall be carried forward and taken into account in any subsequent adjustment.
- 45.4 Whenever the Subscription Price is adjusted as provided in accordance with Article 45.1 to Article 45.3 (inclusive) above (other than by reason of a consolidation of Ordinary Shares as referred to in Article 45.1 above), the Company shall issue, credited as fully paid, additional Subscription Shares to each Subscription Shareholder at the same time as such adjustment takes effect. The number of additional Subscription Shares to which a Subscription Shareholder shall be entitled shall be the number of existing Subscription Shares held by him multiplied by the following fraction:

$$\frac{X - Y}{Y}$$

where:

'X' = the Subscription Price immediately before the adjustment: and

'Y' = the Subscription Price immediately after the adjustment.

Fractions of Subscription Shares shall not be allotted to Subscription Shareholders but all such fractions will be aggregated and, if practicable, sold in the market. The net proceeds shall be paid by the Company to the to the Subscription Shareholders entitled thereto at the risk of such persons, save that amounts of less than £3.00 will be retained for the benefit of the Company. Subscription Share certificates relating to such additional Certificated Subscription Shares will be issued within twenty one (21) days of the said adjustment taking effect and the Company shall procure that appropriate instructions are given to enable such additional Uncertificated Subscription Shares to be credited to the relevant account within the Uncertificated System of the person(s) in whose name(s) the Uncertificated Subscription Shares are

registered as at the date of the adjustment;

- 45.5 Whenever the Subscription Price is adjusted by reason of a consolidation of Ordinary Shares as referred to in Article 45.1 above, the number of Ordinary Shares for which each Subscription Shareholder is entitled to subscribe will be amended accordingly.
- 45.6 The Company shall give notice to Subscription Shareholders within twenty eight (28) days of any adjustment made pursuant to Articles 45.1 to 45.3 above;
- 45.7 If a Subscription Shareholder shall become entitled to exercise his Subscription Rights pursuant to Article 46.5 below, the Subscription Price payable on such exercise (but not otherwise) shall be reduced by an amount determined by the Auditors in accordance with the following formula:

$$A = (B - C) + D$$

where:

- 'A' = the reduction in the Subscription Price;
- 'B' = the Subscription Price which would, but for the provisions of this Article 45.7, be applicable (subject to any adjustments previously made pursuant to Article 45.1 to 45.5 (inclusive) above) if the Subscription Rights were exercisable on the date on which the Company shall become aware as provided in Article 46.5 below;
- 'C' = the value of the final offer for the Ordinary Shares in pence on the date on which the Company shall become aware as provided in article 46.5 below;
- 'D' = the value of a Subscription Share as calculated using the standard Black-Scholes pricing formula, as amended by Merton for dividend payments (Source: Bell Journal of Economics and Management Science Volume 4 Spring 1973), based on the value of the final offer for the Ordinary Shares in pence on the date on which the Company shall become aware as provided in Article 46 below, taking as the stock price volatility the volatility in the market price of an Ordinary Share on a total return basis over 365 days ending on the Business Day immediately preceding the date of the announcement of the offer (or, where such offer is a revised offer, the original offer) or, if applicable and earlier, the date of the first announcement of the intention to make such an offer or original offer or of the possibility of the same being made, and taking as the interest rate the Gross Redemption Yield on Treasury 5 per cent. 2015 government stock on an annual basis and using as a yield the last annual net dividend payment, in pence sterling; provided that:
- 1.1.1 no adjustment shall be made to the Subscription Price where the value of C exceeds the aggregate value of 'B' and 'D' in the above formula; and
- 1.1.2 the Auditors shall be entitled to make such further adjustments to the Subscription Price payable on any subsequent exercise of the Subscription Rights in accordance with Article 46.5 as they shall report to be appropriate.

The notice required to be given by the Company under Article 46.5 below shall give details of any reduction in the Subscription Price pursuant to this Article 45.7.

45.8 For the purpose of determining whether Article 46.7 below shall apply and whether each Subscription Shareholder is to be treated as if his Subscription Rights had been exercisable and had been exercised as therein provided, the Subscription Price which would have been payable on such exercise shall be reduced by an amount determined by the Auditors in accordance with the following formula:

$$A = (B - C) + D$$

where:

- 'A' = the reduction in the Subscription Price;
- 'B' = the Subscription Price which would, but for the provision of this Article 45.8, be applicable (subject to any adjustments previously made pursuant to Article 45.1 to 45.5 (inclusive) above) if the Subscription Rights were exercisable immediately before the date on which the order referred to in Article 46.8 below shall be made or on which the effective resolution referred to in that paragraph shall be passed (as the case may be);
- 'C' = the amount (as determined by the Auditors) of the assets available for distribution in the liquidation of the Company in respect of each Ordinary Share, taking into account for this purpose the Ordinary Shares which would arise on exercise of all the Subscription Rights and the Subscription Price which would be payable on the Ordinary Shares (i) for so long as the Subscription Shares are admitted to trading on AIM, a resolution is proposed in accordance with the AIM Rules relating to a reverse takeover by the Company, a fundamental change of the Company's business or a cancellation of the Ordinary Shares to trading on AIM; exercise of such subscription rights (subject to any adjustments previously made pursuant to Article 45.1 to 45.5 (inclusive) above but disregarding any adjustment to be made pursuant to this Article 45.8); and
- 'D' = the value of a Subscription Share as calculated using the standard Black-Scholes pricing formula, as amended by Merton for dividend payments (Source: Bell Journal of Economics and Management Science Volume 4 Spring 1973), based on the value of the final offer for the Ordinary Shares in pence on the date on which the Company shall become aware as provided in Article 46.7 below, taking as the stock price volatility the volatility in the market price of an Ordinary Share on a total return basis over 365 days ending on the last Business Day immediately preceding the date of the presentation of the petition for such order or of the notice convening the meeting at which such resolution shall be passed (as the case may be) or, if applicable and earlier, the date of the first announcement of the presentation of such petition or the convening of such meeting (as the case may be) or that the same is proposed, and taking as the interest rate the Gross Redemption Yield on Treasury 5 per cent. 2015 government stock on an annual basis and using as a yield the last annual net dividend payment, in pence sterling;

provided that no adjustment shall be made to the Subscription Price where the value of 'C' exceeds the aggregate value of 'B' and 'D' in the above formula.

45.9 Where an event which gives or may give rise to an adjustment to the Subscription Price occurs whether in such proximity in time to another such event or otherwise in circumstances such that the Board in its absolute discretion determines that the foregoing provisions need to be operated subject to some modification in order to give a result which is fair and reasonable in all the circumstances such modification shall be made in the operation of the foregoing provisions as may be advised by the Auditor to be in its opinion appropriate in order to give such a result.

46. **PROTECTIVE PROVISIONS - SUBSCRIPTION SHARES**

So long as any Subscription Rights remain exercisable:

46.1 the Company shall not (except with the sanction of an extraordinary resolution of the Subscription Shareholders):

46.1.1 make any distribution of capital profits or capital reserves except by means of a capitalisation issue in the form of fully paid Ordinary Shares; or

46.1.2 issue securities by way of capitalisation of profits or reserves except fully paid Ordinary Shares issued to the holders of its Ordinary Shares;

46.2 the Company shall not (except with the sanction of an extraordinary resolution of the Subscription Shareholders) in any way modify the rights attached to its existing Ordinary Shares as a class, or create or issue any new class of equity share capital except for shares which carry, as compared with the rights attached to the existing Ordinary Shares, rights which are not more advantageous as regards voting, dividend or return of capital, provided that nothing herein shall restrict the right of the Company to increase, consolidate or sub-divide its share capital;

46.3 the Company shall not (except with the sanction of an extraordinary resolution of the Subscription Shareholders or for a reduction not involving any payment to Shareholders) reduce any of its share capital or any uncalled or unpaid liability in respect of any of its share capital or (except as permitted by law) reduce any share capital account or capital redemption reserve;

46.4 the Company shall keep available for issue sufficient unissued share capital to satisfy in full all Subscription Rights remaining exercisable;

46.5 subject as provided in Article 46.6 below, if at any time an offer is made to all holders of Ordinary Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued Ordinary Share capital of the Company and the Company becomes aware on or before the Final Subscription Date that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offer or

and/or such companies or persons as aforesaid, the Company shall give notice to the Subscription Shareholders of such vesting or pending vesting within 14 days of its becoming so aware, and each such Subscription Shareholder shall be entitled, at any time within the period of thirty (30) days immediately following the date of such notice, to exercise his Subscription Rights on the terms on which the same could have been exercised if they had been exercisable and had been exercised on the date on which the Company shall become aware as aforesaid. The publication of a scheme of arrangement under the law providing for the acquisition by any person of the whole or any part of the issued Ordinary Share capital of the Company shall be deemed to be the making of an offer for the purposes of this Article and reference herein to such an offer shall be read and construed accordingly;

46.6 if under any offer as referred to in Article 46.5 the consideration shall consist solely of the issue of ordinary shares of the offeror and the offeror shall make available an offer of warrants or other rights to subscribe for ordinary shares in the offeror in exchange for the Subscription Shares, which offer the financial advisers to the Company (acting as experts and not as arbitrators) shall consider to be fair and reasonable (having regard to the terms of the offer, the tax treatment of such warranty or other rights to subscribe or compared with that of the Subscription Shares and any other circumstances which may appear to such financial advisers to be relevant), then a Subscription Shareholder shall not have the right to exercise his Subscription Rights on the basis referred to in Article 46.5 above and, subject to the offer as referred to in Article 46.5 above becoming or being declared wholly unconditional and the offeror being in a position to acquire compulsorily the whole of the then issued Ordinary Share capital of the Company not already owned by it or its associates, any Director shall be irrevocably authorised as attorney for the Subscription Shareholders who have not accepted the offer of warrants or other rights to subscribe for ordinary shares in the offeror in exchange for the Subscription Shares:

46.6.1 to execute a transfer of the Subscription Shares held by such holders in favour of the offeror, in consideration of the issue of warrants or other rights to subscribe for ordinary shares in the offeror as aforesaid whereupon all the Subscription Rights shall lapse and all outstanding Subscription Shares shall be converted into Special Deferred Shares which shall have the same rights and shall be treated as if they had been created under Article 44 above; and

46.6.2 to do such acts and things as may be necessary or appropriate in connection therewith;

46.7 if an order is made or an effective resolution is passed for winding-up the Company (except for the purpose of reconstruction, amalgamation or unitization on terms sanctioned by an extraordinary resolution of Subscription Shareholders) each Subscription Shareholder shall, in such winding-up and on the basis that if all Subscription Rights then unexercised had been exercised in full by the Company, there would be a surplus available for distribution amongst the holders of the Ordinary Shares, including for this purpose the Ordinary Shares which would arise on exercise

of all Subscription Rights (taking into account any adjustments pursuant to Article 45.1 to 45.5 (inclusive) and Article 45.8 above), which surplus would, on such basis, exceed in respect of each Ordinary Share a sum equal to such Subscription Price, be treated as if immediately before the date of such order or resolution (as the case may be) his Subscription Rights had been exercisable and had been exercised in full on the terms (subject to any adjustments pursuant to Article 45.1 to 45.5 and Article 45.8 above) on which the same could have been exercised if they had been exercisable and had been exercised immediately before the date of such order or resolution, (as the case may be), and shall accordingly be entitled to receive out of the assets available in the liquidation pari passu with the holders of the Ordinary Shares such a sum as he would have received had he been the holder of the Ordinary Shares to which he would have become entitled by virtue of such subscription after deducting a sum per Ordinary Share equal to the Subscription Price (subject to any adjustments pursuant to Article 45.1 to 45.5 (inclusive) and Article 45.8 above). Subject to the foregoing, all Subscription Rights shall lapse on liquidation of the Company; and

46.8 if at any time an offer or invitation is made by the Company to the holders of its Ordinary Shares generally for purchase by the Company of any of its Ordinary Shares, the Company shall simultaneously give notice thereof to the Subscription Shareholders and each Subscription Shareholder shall be entitled, at any time whilst such offer or invitation remains open for acceptance, to exercise his Subscription Rights on the terms (subject to any adjustments made under Article 45.1 to 45.5 (inclusive) above) on which the same could have been exercised if they had been exercisable and had been exercised on the day twenty one (21) days immediately preceding the Record Date for such offer or invitation and any Ordinary Shares arising on exercise of the Subscription Rights shall be included in the offer or invitation on the same terms and conditions as if the Ordinary Shares arising on the exercise of Subscription Rights had been in issue on the record date for such offer or invitation.

46.9 For the purpose of this Article 46, “**extraordinary resolution of the Subscription Shareholders**” means a resolution proposed at a meeting of the Subscription Shareholders duly convened and passed by a majority consisting of not less than three-fourths of the votes cast, whether on a show of hands or on a poll.

47. **OTHER RIGHTS – SUBSCRIPTION SHARES**

47.1 Income

The Subscription Shareholders shall not be entitled to any right of participation in the profits of the Company.

47.2 Capital

47.2.1 No distribution shall be due in respect of a Subscription Share if the amount of such distribution would be less than the Subscription Price.

47.2.2 The amount to be distributed in respect of each Subscription Share shall be calculated by dividing the total surplus available for distribution to members pursuant to Article 32 by the number of Shares (of all classes carrying an entitlement to participate in the proceeds of a winding up) and subtracting from the result, an amount equal to the Subscription Price.

47.2.3 The provisions of this Article 47.1 are without prejudice to the other provisions of the Articles as to conversion, redemption and purchase of shares or (in the case of a purchase of shares) to any resolution authorising the same in accordance with the Companies Law.

47.3 Voting and General Meetings

47.3.1 The Subscription Shareholders shall, by virtue of or in respect of their holdings of Subscription Shares, have the right to receive notice of a general meeting of the Company and to attend, speak and vote at a general meeting of the Company only: (i) for so long as the Subscription Shares are admitted to trading on AIM, a resolution is proposed in accordance with the AIM Rules relating to a reverse takeover by the Company, a fundamental change of the Company's business or a cancellation of the Ordinary Shares to trading on AIM; or (ii) if a resolution is proposed abrogating, varying or modifying any of the rights or privileges of the Subscription Shareholders and then only on such resolution. Save as aforesaid, whether or not the Subscription Rights shall have expired, the Subscription Shares shall not confer on the holders thereof the right to attend, speak or vote at any general meeting of the Company and references in the Articles to "members", "shareholders" and "holders", in relation to receiving notice of, attending or voting at general meetings of the Company shall be construed accordingly, but they shall entitle the holders to receive copies of notices of general meetings for information only and of the annual consolidated audited accounts of the Company and its subsidiaries as if they were holders of Ordinary Shares.

47.3.2 Whenever the Subscription Shareholders are entitled to vote at a general meeting of the Company upon any resolution proposed at such a general meeting, on a show of hands every holder thereof who is present in person or (being a corporation) by a representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a representative shall have one vote in respect of each Ordinary Share for which he is entitled to subscribe pursuant to the Subscription Rights.

48. **PURCHASE**

The Company and its subsidiaries shall have the right to purchase Subscription Shares in the market, by tender or by private treaty PROVIDED ALWAYS:

- 48.1 such purchases will be limited to a maximum price per Subscription Share which, in the case of purchases through the market, shall not exceed 5 per cent. above the average of the closing middle market quotations (as derived from Bloomberg) for the five (5) consecutive Business Days ending on the Business Day immediately preceding the date on which the purchase is made; and
- 48.2 if such purchases are by tender, such tender will be available to all Subscription Shareholders alike.

All Subscription Shares so purchased shall forthwith be cancelled and shall not be available for re-issue or resale.

49. **TRANSFER – SUBSCRIPTION SHARES**

Subject to the provisions of Article 12 (*Transfer and Transmission of Shares*), each Subscription Share will be registered and will be transferable:

- 49.1 in the case of Certificated Subscription Shares, by instrument of transfer in any usual or common form, or in any other form which may be approved by the Directors; and
- 49.2 in the case of Uncertificated Subscription Shares, by giving the appropriate instructions for transfer by means of the Relevant Electronic System.

No transfer of a right to subscribe for a fraction of an Ordinary Share shall be effected.

50. **GENERAL – SUBSCRIPTION SHARES**

The Company shall, concurrently with the issue of the same to the holders of the Ordinary Shares, send to each Subscription Shareholder (or, in the case of joint holders, to the first-named) a copy of each published annual report and accounts of the Company (or such abbreviated or summary financial statement sent to Ordinary Shareholders in lieu thereof), together with all documents required by law to be annexed thereto, and a copy of every other statement notice or circular issued by the Company to holders of Ordinary Shares.