

**This document is important and requires your immediate attention. If you are in any doubt about what action you should take, you are recommended to consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your ordinary shares in Misys plc, you should send this document and the enclosed Form of Proxy to the purchaser, or to the stockbroker, bank or other agent through whom the sale or transfer was made, for transmission to the purchaser or transferee.**

Registered number: 1360027 England  
Registered office:  
One Kingdom Street  
Paddington  
London W2 6BL

Dear Shareholder

**Annual General Meeting (AGM) 2010**

I have pleasure in sending you Notice of the 2010 AGM which will be held at The Lincoln Centre, 18 Lincoln's Inn Fields, London WC2A 3ED on Wednesday 29 September 2010 at 12 noon. There will be an opportunity to meet the Directors after the meeting.

Accompanying this Notice are a copy of the Company's Annual Report and Accounts, and a Form of Proxy for use at the AGM. If you are attending the AGM, please bring with you your Shareholder Admittance Card which is attached to the Form of Proxy.

Your vote is important to us. Even if you are unable to attend the meeting in person, please complete the Form of Proxy to ensure that your vote on the resolutions can be included.

We care about the environment and would encourage you to register your proxy appointment electronically by:

- visiting the website of our registrar, Equiniti, at [www.sharevote.co.uk](http://www.sharevote.co.uk). You will need the Voting ID, Task ID and Shareholder Reference Number given on the Form of Proxy. Alternatively, complete your paper Form of Proxy and return it by post to the registrar Equiniti, at FREEPOST SEA 10846, Equiniti, Aspect House, Spencer Road, Lancing BN99 6ZL (no stamp is needed), or
- using the CREST electronic proxy appointment service.

Further details regarding the appointment of proxies are given on page 4.

As last year, and, in accordance with the practice adopted by many companies, each of the resolutions to be proposed at the AGM will be put to a poll rather than voting on a show of hands. This ensures that all votes cast, rather than just those of the shareholders who are present at the AGM, will be taken into account. The results of the poll will be posted on the Misys website ([www.misys.com](http://www.misys.com)) after the meeting and notified to the UK Listing Authority.

The formal Notice of AGM which sets out the resolutions to be put to shareholders is on pages 2 and 3.

The AGM will transact a number of items of special business which are explained in the explanatory notes to the Notice of AGM.

The Directors consider that all the resolutions which are to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings.

I look forward to seeing you at The Lincoln Centre on 29 September 2010.

Yours faithfully

**Sir James Crosby**  
Chairman

29 July 2010

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT THE 2010 ANNUAL GENERAL MEETING OF MISYS PLC (the "Company") WILL BE HELD AT THE LINCOLN CENTRE, 18 LINCOLN'S INN FIELDS, LONDON WC2A 3ED, ON WEDNESDAY 29 SEPTEMBER 2010 AT 12 NOON, FOR THE FOLLOWING PURPOSES:**

## **Ordinary business**

To consider and, if thought fit, pass resolutions 1-5 as ordinary resolutions:

01. To receive and adopt the audited Financial Statements for the year ended 31 May 2010, together with the Reports of the Directors and Auditors.
02. To approve the Remuneration Report for the year ended 31 May 2010.
03. To re-elect Mike Lawrie as a Director of the Company.
04. To re-elect Jeff Ubben as a Director of the Company.
05. To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company and to authorise the Directors to determine their remuneration.

## **Special business**

To consider and, if thought fit, pass resolutions 07, 08, 10, and 11 as special resolutions and the remainder as ordinary resolutions:

06. That:
  - (a) the Directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
    - (i) up to a maximum nominal amount of £1,827,234 (such amount to be reduced by the nominal amount of any equity securities (as defined in section 560 of the Companies Act 2006) allotted under paragraph (ii) below in excess of £1,827,234); and
    - (ii) comprising equity securities (as defined in section 560 of the Companies Act 2006) up to a maximum nominal amount of £3,654,468 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:
      - (A) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
      - (B) to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 December 2011;
  - (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the Directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
  - (d) all previous unutilised authorities under section 80 of the Companies Act 1985 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).
07. That:
    - (a) the Directors be given power:
      - (i) (subject to the passing of resolution 06) to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
      - (ii) to allot equity securities as defined in section 560(3) of that Act for cash, in either case as if section 561 of that Act did not apply to the allotment but this power shall be limited:
        - (A) to the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under resolution 06 (a) (ii), by way of a rights issue only) to or in favour of:
          - I holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
          - II holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

- (B) to the allotment of equity securities pursuant to the authority granted under resolution 06 (a) (i) and/or by virtue of section 560(3) of the Companies Act 2006 (in each case otherwise than under paragraph (A) above) up to a maximum nominal amount of £297,292;
- (b) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 December 2011;
- (c) all previous unutilised authorities under section 95 of the Companies Act 1985 shall cease to have effect; and
- (d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.
08. That, in accordance with section 701 of the Companies Act 2006, the Company be and is hereby generally and unconditionally authorised to make market purchases (as defined in section 693 of the Companies Act 2006) of ordinary shares of one pence each in the capital of the Company, provided that:
- (a) the maximum aggregate number of ordinary shares which may be purchased is 54,817,000;
- (b) the minimum price which may be paid for an ordinary share is an amount (exclusive of expenses) equal to the nominal value of such a share;
- (c) the maximum price which may be paid for an ordinary share is an amount (exclusive of expenses) equal to the higher of (i) 105% of the average of the middle market quotations for an ordinary share, as derived from the London Stock Exchange Daily Official List for each of the five dealing days immediately preceding the day on which such share is purchased and (ii) the amount stipulated by the Buy-back and Stabilisation Regulations 2003;
- (d) unless previously revoked or varied, this authority shall expire at the conclusion of the 2011 AGM of the Company or, if earlier, on 1 December 2011;
- (e) the Company may make a contract or contracts to purchase ordinary shares under this authority before the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of ordinary shares pursuant to any such contract; and
- (f) all existing authorities for the Company to make market purchases of ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which has or have not yet been executed.
09. (a) That the Company and any company which is or becomes a wholly owned subsidiary of the Company during the period to which this resolution relates be and is hereby authorised in accordance with section 366 of the Companies Act 2006:
- (i) to make political donations to political parties and/or independent election candidates not exceeding £50,000;
- (ii) to make political donations to political organisations other than political parties not exceeding £50,000; and
- (iii) to incur political expenditure not exceeding £50,000,
- provided that the aggregate amount of any such donations and expenditure shall not exceed £50,000 in total and that such authority shall expire at the conclusion of the 2011 AGM of the Company or, if earlier, on 1 December 2011; and
- (b) that all existing authorisations and approvals relating to political donations or expenditure be and are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval.
- 10 That a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.
11. That, with effect from the conclusion of the AGM:
- (A) the Articles of Association of the Company be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association; and
- (B) the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By Order of the Board

**Tom Kilroy**  
Company Secretary  
29 July 2010

Registered Office:  
One Kingdom Street  
Paddington  
London W2 6BL

Registered in England No. 1360027

[www.misys.com](http://www.misys.com)

# Notes

- 1 Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote instead of them at the meeting. Members may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. A proxy need not be a member of the Company.
- 2 To be valid a Form of Proxy must be lodged with the Company's registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, not later than 12 noon on 27 September 2010 or 48 hours before the time fixed for holding any adjourned meeting. The appointment of a proxy does not prevent a member from attending the meeting and voting in person, in which case any previous votes received from the proxy will be superseded. You must inform the Company's registrar in writing of any termination of the authority of a proxy.
- 3 Alternatively members may submit their proxies electronically at [www.sharevote.co.uk](http://www.sharevote.co.uk) using the Voting ID, Task ID and Shareholder Reference Number given on the Form of Proxy in accordance with the deadline in note 2 above.
- 4 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear specifications and must contain the information required for such instructions, as described in the CREST manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 19) by the latest time(s) for receipt of proxy appointments specified in note 2. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members, and where applicable their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s) takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35 (5) (a) of the Uncertified Securities Regulations 2001.

- 5 Pursuant to section 360B of the Companies Act 2006 only those members registered on the register of members of the Company at 6.00pm on 27 September 2010 or the date that is two days before any adjourned meeting (the "relevant date") shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their names at that time. Changes to entries on the register after 6.00pm on the relevant date shall be disregarded in determining the rights of any person to attend or vote at the meeting.
  - 6 A person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- The statement of the rights of members in relation to the appointment of proxies in notes 1 to 4 above does not apply to a Nominated Person. The rights described in these notes can only be exercised by registered members of the Company.
- 7 Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.

- 8 Copies of the Chief Executive's service contract and non-executive Directors' letters of appointment are available for inspection at the Company's registered office during normal business hours and may also be inspected on the day of the meeting at the place of the AGM from 11.45am until the conclusion of the meeting. Copies of the Company's Memorandum and Articles of Association marked to show the changes being proposed are available for inspection at the Company's registered office and at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD during normal business hours on any business day until the date of the Annual General Meeting and will be available at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.
- 9 As at 26 July 2010 (being the latest practicable date prior to the publication of this Notice) the issued share capital of the Company was 594,584,179 ordinary shares of one pence each, carrying one vote each, of which 46,413,777 were held in Treasury. Therefore, the total exercisable voting rights in the Company as at 26 July 2010 were 548,170,402.
- 10 It is possible that, pursuant to requests made by members of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on its website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid (in each case) that the members propose to raise at the AGM. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on its website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on its website.
- 11 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 12 Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- 13 Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 17 August 2010, being the date six clear weeks before the meeting, and (in the case of a matter to be included on the business only) must be accompanied by a statement setting out the grounds for the request.
- 14 A copy of this Notice, and other information required by section 311A of the Companies Act 2006 can be found at [www.misys.com](http://www.misys.com).
- 15 As soon as practicable after the AGM the results of the poll (and other information required by Section 341 of the Companies Act 2006) will be announced via a regulated information service and made available at [www.misys.com](http://www.misys.com).

# Explanatory notes

## **Resolutions 03 and 04: Re-election of Directors**

Mike Lawrie and Jeff Ubben are retiring by rotation because this is the third AGM since that at which they were first elected and they are seeking re-election. The Chairman confirms that following formal performance evaluation, Mike Lawrie's and Jeff Ubben's performance continues to be effective and demonstrates commitment to the role.

Biographies of both of these Directors are shown below.

The current composition of the Board meets the requirements of the Combined Code for an appropriate balance of executive and non-executive Directors.

The Board as a whole is fully committed to the successful development of the business, to meeting the Company's strategic objectives and to the delivery of shareholder value. In short, the Board is satisfied with non-executive Directors' effectiveness and commitment to the role.

### **Mike Lawrie biography**

Mike joined the Board in November 2006. Mike was previously a general partner with ValueAct Capital. Prior to that, he was Chief Executive Officer of Siebel Systems Inc., the international software and solutions company, from 2004-2005. Mike spent 27 years with IBM where he rose to become Senior Vice President and Group Executive with responsibility for sales and distribution of all IBM products and services worldwide. Previously at IBM he had been the General Manager for all operations in Europe, the Middle East and Africa. He previously served on the US Advisory Board of NTT DoCoMo and as a Director of SSA Global, Inc, Symbol Technology, Inc. and Good Technology, Inc. Mike is the lead independent non-executive Director of Juniper Networks, Inc. and is a Trustee of Drexel University, Philadelphia.

### **Jeff Ubben biography**

Appointed a non-executive Director in January 2007. Jeff Ubben is a co-founder, Chief Executive Officer and the Chief Investment Officer of ValueAct Capital, a San Francisco based investment partnership. Prior to that, he was a Managing Partner at BLUM Capital Partners, a private investment partnership, and previously spent eight years at Fidelity Management and Research, where he managed the Fidelity Value Fund. Jeff is a Director of Sara Lee Corp., and Gartner Group, Inc., and previously served on the boards of Per-Se Technologies, Inc., and of Catalina Marketing Corp. He is a former Chairman and Director of Martha Stewart Living Omnimedia, Inc. and has served on a number of other public and private companies.

## **Resolution 06: Renewal of authority to allot shares**

Resolution 06 renews the Directors' authority to allot shares. Paragraph (a) (i) of the resolution will allow the Directors to allot ordinary shares up to a maximum nominal amount of £1,827,234 representing approximately one third (33.33%) of the Company's existing issued share capital (excluding shares held in treasury) and calculated as at 26 July 2010 (being the latest practicable date prior to publication of this Notice). In accordance with the latest institutional guidelines issued by the Association of British Insurers (ABI), paragraph (a) (ii) of the resolution will allow Directors to allot, including the ordinary shares referred to in paragraph (a) (i), further of the Company's ordinary shares in connection with a pre-emptive offer by way of a rights issue to ordinary shareholders up to a maximum nominal amount of £3,654,468, representing approximately two thirds (66.67%) of the Company's existing issued share capital (excluding shares held in treasury) and calculated as at 26 July 2010 (being the latest practicable date prior to publication of this Notice). The Directors have no present intention of exercising this authority but consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place in appropriate circumstances. However, if they do exercise the authority, the Directors intend to follow emerging best practice as regards its use (including as regards the Directors standing for re-election in certain cases), as recommended by the ABI.

## **Resolution 07: Renewal of power to allot shares for cash**

Resolution 07 renews the power of the Directors to allot ordinary shares, and sell Treasury shares, for cash without first offering them to existing shareholders on a pro rata basis. The limit on the nominal value of ordinary shares which may be so allotted or sold by the Directors (other than in connection with a rights issue/pre-emptive offer) is £297,292 and represents 5% of the issued ordinary share capital of the Company (including Treasury shares) as at 26 July 2010. This power expires at the conclusion of the 2011 AGM of the Company or, if earlier, on 1 December 2011. The Directors do not intend to issue more than 7.5% of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three year period without prior consultation with the Investment Committees of the Association of British Insurers and the National Association of Pension Funds.

## **Resolution 08: Renewal of authority to purchase own shares**

Resolution 08 renews the authority of the Company to purchase its own shares in the market up to a maximum number of 54,817,000 shares, representing approximately 10% of the issued ordinary share capital of the Company (excluding Treasury shares) as at 26 July 2010. The resolution specifies the maximum and minimum prices at which shares may be bought. This authority will only be invoked if, after taking proper advice, the Directors consider significant benefit will accrue to shareholders generally, either through enhancement to earnings per share or gauged by another measure deemed more relevant. The Directors will also give careful consideration to gearing levels of the Company and its general financial position.

Shares purchased under this authority may be either cancelled or held as Treasury shares which may then be cancelled, sold for cash or transferred for the purposes of the Company's employee share plans. Treasury shares do not carry voting rights and do not qualify for dividends (if paid). The Company has chosen to hold its purchases of its own shares since April 2004 as Treasury shares, within the statutory limits imposed, and since August 2005 has used Treasury shares wherever possible to satisfy exercises under employee share plans. However, any shares purchased under the authority sought at the 2010 AGM may either be held as Treasury shares or cancelled by the Company, depending on which course of action is considered by the Directors to promote the success of the Company.

The total number of options to subscribe for ordinary shares that were outstanding as at 26 July 2010 (being the latest practicable date prior to publication of this Notice) was 32,500,967. The proportion of issued share capital (excluding Treasury shares) that they represented at that date was 5.93% and the proportion of the issued share capital (excluding Treasury shares) that they will represent if the full authority to purchase shares (existing and being sought) is used is 7.41%. This authority expires at the conclusion of the 2011 AGM of the Company or, if earlier, on 1 December 2011.

#### **Resolution 09: Renewal of authority to make Political Donations and expenditure**

Resolution 09 relates to Part 14 of the Companies Act 2006 which prohibits a company from making political donations or incurring political expenditure unless such donations and expenditure have been authorised by shareholders. In order to avoid inadvertent infringement of its widely drawn provisions, the Directors are seeking authority from shareholders for the Company and its wholly-owned subsidiaries to make political donations and to incur political expenditure, up to a maximum aggregate amount of £50,000.

This new authority will expire at the conclusion of the 2011 AGM of the Company or, if earlier, on 1 December 2011.

It is Company policy not to make political donations and the Company has no intention of using the authority for that purpose.

#### **Resolution 10: Notice of General Meetings**

Resolution 10 relates to the Company's ability to call general meetings on 14 clear days' notice. The Company's Articles of Association provide that it is able to call general meetings (other than AGMs) on 14 clear days' notice and the Company would like to preserve the ability to do so. Changes made to the Companies Act 2006 by the Companies (Shareholders' Rights) Regulations 2009 ("Shareholders' Rights Regulations") increased the notice period for general meetings of the Company to 21 days except in those cases where shareholders have approved the calling of meetings on not less than 14 clear days' notice. The approval, if granted, will be effective until the Company's next AGM when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The flexibility offered by this resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting and in the interests of the Company and shareholders as a whole.

#### **Resolution 11: Adoption of new Articles of Association**

Resolution 11 seeks to adopt new Articles of Association for the Company ("New Articles"), in order to update the current Articles of Association of the Company ("Current Articles"), primarily to take account of the coming into force of the Shareholders' Rights Regulations and the implementation of the last parts of the Companies Act 2006. The New Articles showing all the changes to the current Articles and the Memorandum are available for inspection at the Company's registered office and at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD United Kingdom during normal business hours on any business day until the date of the AGM and will be available at the place of the AGM venue from 15 minutes prior to the commencement of the meeting and until the conclusion thereof.

The principal changes to be introduced in the New Articles are summarised below. Other changes, which are of a minor, technical or clarifying nature and also further changes which merely reflect changes made by the Companies Act 2006 and the Shareholders' Rights Regulations have not been summarised below.

##### **1. The Company's objects**

Prior to 1 October 2009, the provisions regulating the operations of the Company were set out in the Company's Memorandum and Articles of Association. The Company's Memorandum contained, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope. The Companies Act 2006 significantly reduces the constitutional significance of a company's memorandum, providing that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the Companies Act 2006, the objects clause and all other provisions which are contained in a company's memorandum are deemed to be contained in the company's articles of association, but the company can remove these provisions by special resolution. Further, the Companies Act 2006 states that, unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason, the Company is proposing to remove its objects clause, together with all other provisions of its Memorandum which, by virtue of the Companies Act 2006, are now treated as forming part of its Articles of Association. Resolution 11 (A) confirms the removal of these provisions although, where appropriate, to preserve the status quo, certain Directors' powers that were previously dealt with in the Memorandum have been added back into the New Articles. As the effect of Resolution 11 (A) will also be to remove the statement currently in the Company's Memorandum of Association regarding limited liability, the New Articles also contain an express statement regarding the limited liability of shareholders.

##### **2. Authorised share capital and unissued shares**

The Companies Act 2006 abolishes the requirement for a company to have an authorised share capital, and the New Articles reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the Companies Act 2006, save in respect of employee share schemes.

### 3. Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption, whereas the Companies Act 2006 enables directors to determine such matters themselves, provided that they are authorised to do so by the articles. The New Articles contain such an authorisation for the Directors. The Company has no plans to issue redeemable shares but, if it did so, the Directors would need shareholders' authority to issue new shares in the usual way.

### 4. Suspension of registration of share transfers

The Current Articles permit the Directors to suspend the registration of share transfers. This power has been removed in the New Articles because it is inconsistent with the Companies Act 2006, which requires share transfers to be registered as soon as practicable.

### 5. Notice of general meetings

The Shareholders' Rights Regulations amend the Companies Act 2006 to require the Company to give 21 clear days' notice of general meetings unless the Company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual General Meetings must be held on 21 clear days' notice. The New Articles amend the provisions of the existing Articles to be consistent with the new requirements.

### 6. Adjournments for lack of quorum

Under the Companies Act 2006, as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles amend the provisions of the Current Articles to reflect this requirement.

### 7. Chairman's casting vote

The New Articles remove the provision in the Current Articles giving the Chairman a casting vote in the event of an equality of votes, as this is no longer permitted under the Companies Act 2006.

### 8. Voting by proxies on a show of hands

The Shareholders' Rights Regulations have amended the Companies Act 2006 so that it now provides that, subject to a company's articles, each proxy appointed by a member has one vote on a show of hands, unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The New Articles amend the provisions of the existing Articles to reflect these changes, and to clarify the procedure to be followed if a proxy is appointed by more than one member and is given discretion as to how to vote by one or more of those members.

### 9. Voting record date and proxy appointment deadline

Under the Companies Act 2006, as amended by the Shareholders' Rights Regulations, the Company must determine the right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days that are not working days. The Companies Act 2006 also allows companies to set a time limit for the receipt of proxy appointments and related documents that is not more than 48 hours before the time for the holding of the meeting, not taking account of days that are not working days. The New Articles amend the Current Articles to reflect these provisions.

### 10. Voting in accordance with instructions

Under the Shareholders' Rights Regulations, proxies are expressly required to vote in accordance with instructions given to them by members. For the avoidance of doubt, the New Articles contain a provision stating that the Company is not obliged to check whether a proxy or corporate representative has voted in accordance with the members' instructions.

### 11. Change of name

Prior to 1 October 2009, a company could only change its name by special resolution, but now, under the Companies Act 2006, a company is able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the Directors to pass a resolution to change the Company's name.

### 12. Scrip dividends

In line with market practice, the New Articles update the Current Articles to provide that the value of shares issued in connection with a scrip dividend may be determined by ordinary resolution, or by reference to the average middle-market quotation for shares of the same class on the London Stock Exchange Daily Official List for the day on which the shares are first quoted "ex" dividend, and the four subsequent dealing days. The New Articles also allow the Directors the flexibility at any time before the further shares are allotted to decide that the dividend will be paid in cash instead.

### 13. General

Generally, the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles to the language used in the Companies Act 2006.