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**This document is important and requires your immediate attention.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares, please pass this document together with the accompanying form of proxy to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the ordinary shares.

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## **Annual General Meeting 2010 Notice of Meeting and Explanatory Notes**

This document contains Notice of the Annual General Meeting of the Company to be held at the offices of KBC Peel Hunt Ltd, 111 Old Broad Street, London EC2N 1PH on Wednesday 12 May 2010 at 11.30 am, together with explanatory notes regarding the business of the meeting.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a form of proxy in accordance with the instructions printed on the enclosed form. The form of proxy must be received by the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZT, as soon as possible, and in any event no later than 11.30 am on Monday 10 May 2010. Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting.

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## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of TT electronics plc will be held at the offices of KBC Peel Hunt Ltd, 111 Old Broad Street, London EC2N 1PH on 12 May 2010 at 11.30 am for the following purposes:

### Ordinary Resolutions

- 1 To receive the audited accounts for the year ended 31 December 2009, the Directors' report on the accounts, the Directors' report on corporate governance and the Auditors' reports on the accounts.
- 2 To approve the Directors' remuneration report for the year ended 31 December 2009.
- 3 To re-elect D S Crowther as a Director.
- 4 To re-elect T H Roberts as a Director.
- 5 To re-appoint Grant Thornton UK LLP as Auditors of the Company.
- 6 To authorise the Directors to fix the Auditors' remuneration.
- 7 To authorise the Directors generally and unconditionally pursuant to section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £25,825,464 comprising:
  - (a) an aggregate nominal amount of £12,912,732 (whether in connection with the same offer or issue as under (b) below or otherwise); and
  - (b) an aggregate nominal amount of £12,912,732, in the form of equity securities (as defined in section 560 of the Companies Act 2006) in connection with an offer or issue by way of rights, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever,such authority to expire (unless renewed, varied or revoked by the Company in general meeting) on the earlier of 15 months from the date this resolution is passed and the conclusion of the Annual General Meeting of the Company to be held in 2011, except that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted after such expiry and the Directors may allot shares or grant such rights pursuant to any such offer or agreement as if such authority had not expired.
- 8 To approve the establishment of the TT electronics plc Sharesave Scheme 2010 (the "Sharesave Scheme") and to authorise the Directors to:
  - (a) do all acts and things necessary to give effect to the operation of the Sharesave Scheme, the principal terms of which are summarised in the explanatory notes contained in the Notice of Meeting dated 7 April 2010; and
  - (b) extend the Sharesave Scheme to countries outside the UK taking account of local tax, exchange control, or securities law in the relevant jurisdictions, including, if necessary, either to add schedules to the Sharesave Scheme or to establish other schemes based on the Sharesave Scheme provided that the terms of such other schemes will not provide participants with benefits greater than those provided under the Sharesave Scheme.

### Special Resolutions

- 9 To empower the Directors pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash pursuant to the general authority conferred on them by resolution 7 above and/or to sell equity securities held as treasury shares for cash pursuant to section 727 of that Act, in each case as if section 561 of that Act did not apply to any such allotment or sale, provided that this power shall be limited to:
  - (a) any such allotment and/or sale of equity securities in connection with an offer or issue by way of rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever; and

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(b) any such allotment and/or sale, otherwise than pursuant to paragraph (a) above, of equity securities having, in the case of ordinary shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into ordinary shares having an aggregate nominal value, not exceeding the sum of £1,936,909.

This authority shall expire, unless previously revoked or renewed by the Company in general meeting, at such time as the general authority conferred on the Directors by resolution 7 above expires, except that the Company may at any time before such expiry make any offer or agreement which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry and the Directors may allot equity securities and/or sell equity securities held as treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

- 10 THAT the Company be and is generally and unconditionally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 25 pence each provided that in doing so it:
- (a) purchases no more than 15,495,279 ordinary shares of 25 pence each in aggregate;
  - (b) pays not less than 25 pence (excluding expenses) per ordinary share of 25 pence each; and
  - (c) pays a price per ordinary share that is not more (excluding expenses) per ordinary share than the higher of (i) 5% above the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately before the day on which it purchases that share; and (ii) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003).

This authority shall expire 15 months after the date of the passing of this resolution or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2011, except that the Company may, if it agrees to purchase ordinary shares under this authority before it expires, complete the purchase wholly or partly after this authority expires.

- 11 To amend the Articles of Association by (a) deleting all the provisions of the Company's Memorandum of Association which, by virtue of the Companies Act 2006 are to be treated as provisions of the Articles of Association; and (b) deleting Articles 5 and 46.1.1 of the Articles of Association.
- 12 To authorise the Directors to call a general meeting of the Company, other than an Annual General Meeting, on not less than 14 clear days' notice.

By order of the Board

**W J Sharp**

Group Company Secretary

**Registered Office**

Clive House  
12 – 18 Queens Road  
Weybridge  
Surrey KT13 9XB

7 April 2010

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## Notes:

1. A member who is an individual is entitled to attend, speak and vote at the meeting or to appoint one or more other persons as his proxy to exercise all or any of his rights on his behalf. Further details of how to appoint a proxy, and the rights of proxies, are given in the paragraphs below. A member that is a company can appoint one or more corporate representatives (such as a director or employee of the company) whose attendance at the meeting is treated as if the company were attending in person, or it can appoint one or more persons as its proxy to exercise all or any of its rights on its behalf. In each case, a person attending the meeting will need to provide the Company or its registrars, Equiniti Limited, with evidence of their identity and, if applicable, their appointment as a proxy or corporate representative with authority to vote on behalf of a member.
2. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. To appoint a proxy or proxies shareholders must complete: (a) a form of proxy, sign it and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZT; or (b) a CREST Proxy Instruction (as set out in paragraph 11 below), in each case so that it is received no later than 11.30 am on 10 May 2010. To appoint more than one proxy, you will need to complete a separate form of proxy in relation to each appointment. A form of proxy for use in connection with the Annual General Meeting is enclosed with this document. If you do not have a form of proxy and believe that you should, please contact the Company's registrars, Equiniti Limited on 0871 384 2396\* (or +44 121 415 7047 if calling from outside the United Kingdom) or at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.
3. You will need to state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares to which each proxy appointment relates or specifying a number of shares in excess of those held by the member will result in the proxy appointment being invalid.
4. The return of a completed form of proxy or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
6. Any 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 Annual General Meeting. 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.
7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
8. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders included in the register of members of the Company at 6.00 pm on 10 May 2010 or, if the meeting is adjourned, in the register of members at 6.00 pm on the day which is two days before the day of any adjourned meeting, will be entitled to attend and to vote at the Annual General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the share register after 6.00 pm on 10 May 2010, or, if the meeting is adjourned, in the register of members at 6.00 pm on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.
9. As at 17 March 2010, the Company's issued share capital comprised 154,952,795 ordinary shares of 25 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 17 March 2010 is 154,952,795.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a 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.
11. 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 UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 Company's agent (IDRA19), by the latest time for receipt of proxy appointments set out in paragraph 2 above. 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 Company'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.

\* Calls to this number are charged at 8p per minute from a BT landline. Other telephony provider costs may vary.

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12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited 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 any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) 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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a 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 Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders 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 the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
14. Any member attending the meeting has the right to ask questions. The Company must answer 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.
15. You may not use any electronic address provided in this Notice, or any related documents including the form of proxy to communicate with the Company for any purposes other than those expressly stated.
16. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at the Investor Relations section of the Company's website, [www.ttelectronics.com](http://www.ttelectronics.com).

### **Inspection of documents**

*The following documents will be available for inspection at Clive House, 12 – 18 Queens Road, Weybridge, Surrey KT13 9XB from the date of this Notice until the day of the AGM and at the offices of KBC Peel Hunt Ltd, 111 Old Broad Street, London EC2N 1PH from 15 minutes before the AGM until it ends:*

- *Copies of the executive Directors' service contracts.*
- *Copies of letters of appointment of the non-executive Directors.*
- *A copy of the rules of the proposed TT electronics plc Sharesave Scheme 2010.*
- *A copy of the amended Articles of Association.*

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## Explanatory notes

### Resolutions 1 – 6 deal with the usual AGM business and are self-explanatory.

#### Resolution 7 – Authority to the Directors to allot shares

The Companies Act 2006 provides that the Directors may only allot shares if authorised by shareholders to do so. Resolution 7 will, if passed, authorise the Directors to allot the Company's unissued shares up to a maximum nominal amount of £25,825,464, which represents an amount which is approximately equal to two-thirds of the issued share capital of the Company as at 17 March 2010, the latest practicable date prior to the publication of this document.

As provided in paragraph (a) of the resolution, up to half of this authority (equal to one-third of the issued ordinary share capital of the Company) will enable Directors to allot and issue new shares in whatever manner (subject to pre-emption rights) they see fit. Paragraph (b) of the resolution provides that the remainder of the authority (equal to a further one-third of the issued share capital of the Company) may only be used in connection with a rights issue in favour of ordinary shareholders. As paragraph (a) imposes no restrictions on the way the authority may be exercised, it could be used in conjunction with paragraph (b) so as to enable the whole two-thirds authority to be used in connection with a rights issue. Where usage of the authority exceeds the one-third threshold in the circumstances set out in the guidance issued by the Association of British Insurers (the "ABI") the Directors will stand for re-election at the following AGM, to the extent required by the ABI.

The authority will expire at the earlier of the date that is 15 months after the date of the passing of the resolution and the conclusion of the next Annual General Meeting of the Company.

Passing resolution 7 will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares. There are no current plans to issue new shares except in connection with employee share schemes.

As at 17 March 2010, the latest practicable date prior to the publication of this document, the Company had 154,952,795 ordinary shares of 25 pence each in issue.

#### Resolution 8 – Authority to the Directors to establish the TT electronics plc Sharesave Scheme 2010

Resolution 8 will, if passed, establish the TT electronics plc Sharesave Scheme 2010 (the "Sharesave Scheme"). The aim of the plan is to increase employee engagement in the success of the Group. A summary of the principal terms of the Sharesave Scheme are as follows:

##### Structure of the Sharesave Scheme

The operation of the Sharesave Scheme will be supervised by the Board of Directors of the Company or a duly authorised committee (the "Board").

Options granted under the Sharesave Scheme (the "Options") will enable participants to acquire TT electronics plc ordinary shares ("Shares") at an exercise price which is not less than 80% of the middle market quotation of a Share on the London Stock Exchange dealing day immediately prior to the day invitations are sent out (or some other date agreed with HM Revenue & Customs), or 80% of the average middle market quotation of a Share over the three London Stock Exchange dealing days immediately prior to the day the invitations are sent out. In either case, if Shares are to be subscribed, the exercise price will not be lower than nominal value.

##### Eligibility

All employees (including executive Directors) who have worked for the Company or a participating subsidiary (the "Group") for a qualifying period as determined by the Board (but not to exceed five years) and any other employees nominated by the Board will be eligible to participate in the Sharesave Scheme.

##### Grant of Options

If the Board decides to operate the Sharesave Scheme, invitations for the grant of Options will normally only be issued within the 42 day period following the announcement of the Company's results for any period. Options will normally be granted within 30 days of the last London Stock Exchange dealing day by reference to which the exercise price of the Option was fixed.

##### Savings Contract and the Right to Acquire Shares

Participants granted an Option under the Sharesave Scheme must enter into a savings contract with a designated savings carrier under which they make monthly savings, usually by means of a net salary deduction, for a period of three or five years. The amounts saved each month must not exceed the limit imposed by the relevant legislation (currently £250 per month). A bonus, also specified by legislation, will be payable, currently equivalent to: 0.3 times the monthly savings amount after three years; 2.2 times the monthly savings amount after five years; and (if the savings are left with the savings carrier for two further years under a five year savings contract) 5.2 times the monthly savings amount after seven years. The Board will specify at the time of the operation of the Sharesave Scheme which length of savings contract employees may enter into and whether a five year savings contract may include the seven year bonus.

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Options are normally exercisable during a six month period following the bonus date under the relevant savings contract. Options not exercised within this six month period will lapse.

#### **Leaving Employment**

Normally, Options lapse on leaving employment. However, if a participant ceases employment with any company in the Group by reason of death, injury or disability, redundancy, retirement or on the sale of their employing company or business out of the Group, options may be exercised during a six month period following cessation of employment, or a 12 month period following death. Exercise of an Option is also allowed where a participant leaves employment for any other reason, provided that the Option has been held for at least three years.

If any Option is exercised early, a participant (or his or her personal representative) may only exercise to the extent of his or her savings accumulated under the savings contract (together with any interest due).

#### **Corporate Events**

Options may be exercised in the event of a takeover, scheme of arrangement or winding-up of the Company, to the extent of the savings accumulated under the participant's savings contract (together with any interest due).

In the event of another company acquiring control of the Company, participants may, in certain circumstances, be allowed to exchange their Options for options of equivalent value over shares in the acquiring company.

#### **Variation in Ordinary Share Capital**

In the event of any variation in the share capital of the Company, the exercise price and number of Shares over which Options have been granted may be adjusted in order to maintain the Options' value. Prior approval of HM Revenue & Customs must be obtained in relation to any such adjustments.

#### **Operation of the Sharesave Scheme**

The Sharesave Scheme will not be operated more than ten years after adoption, and the Board will continue to review the operation of the Sharesave Scheme during this period.

Options under the Sharesave Scheme are not transferable (other than to a participant's personal representatives in the event of his or her death) and do not form part of pensionable earnings.

#### **Rights Attaching to Shares**

Options will not confer any shareholder rights on participants (for example, the right to vote the Shares), until the Options have been exercised and the participant has received his or her Shares.

Shares allotted under the Sharesave Scheme will rank equally with other shares of the same class then in issue, but will not qualify for dividends or other rights arising by reference to a prior record date.

#### **Alterations to the Sharesave Scheme**

The Board, may, at any time, amend the Sharesave Scheme, provided that the prior approval of shareholders is obtained for any amendments to the Sharesave Scheme which are to the advantage of participants or potential participants in respect of eligibility, the limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, Shares or cash provided under the Sharesave Scheme and the adjustment of Options.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Sharesave Scheme, any alteration to take account of a change in legislation or any alteration required to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group.

No amendment to any 'key feature' (as defined in the relevant legislation) will be made to the Sharesave Scheme without prior approval of HM Revenue & Customs.

#### **Limit on the Issue of Shares**

The exercise of Options granted under the Sharesave Scheme may be satisfied by the issue of new Shares, treasury shares or shares purchased in the market.

In any ten year period the Company may not issue (or have the possibility to issue) more than 10% of the issued ordinary share capital of the Company under the Sharesave Scheme and any other employee share scheme adopted by the Company.

Treasury shares will count as newly-issued shares for the purposes of these limits for so long as institutional investor bodies consider that they need to be so counted.

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## **Resolution 9 – Partial disapplication of statutory pre-emption rights**

The Companies Act 2006 requires that, if the Company issues new shares for cash or sells any treasury shares, it must first offer them to existing shareholders in proportion to their current holdings. It is proposed that the Directors be authorised to issue shares for cash and/or sell shares from treasury (if any are so held) up to an aggregate nominal amount of £1,936,909 (representing approximately 5% of the Company's issued share capital as at 17 March 2010, the latest practicable date prior to the publication of this document) without offering them to shareholders first, and to modify statutory pre-emption rights to deal with legal, regulatory or practical problems that may arise on a rights or other pre-emptive offer or issue. The Board does not intend to issue more than 7.5% of the issued share capital of the Company on a non-pre-emptive basis in any rolling three year period. If resolution 9 is passed, this authority will expire at the same time as the authority to allot shares given pursuant to resolution 7.

The Directors consider this authority necessary in order to give them flexibility to deal with opportunities as they arise, subject to the restrictions contained in the resolution.

## **Resolution 10 – Purchase of own shares by the Company**

If passed this resolution will grant the Company authority for a period of up to 15 months after the date of passing of the resolution to buy its own shares in the market. The resolution limits the number of shares that may be purchased to 10% of the Company's issued share capital as at 17 March 2010, the latest practicable date prior to the publication of this document. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 25 pence per ordinary share and a maximum amount (excluding expenses) of the higher of: (i) 5% above the average of the previous five days' middle market prices; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. This authority will only be exercised if market conditions make it advantageous to do so.

The Directors' present intention is that shares purchased pursuant to this authority will be cancelled immediately on purchase. Alternatively, the shares may be held in treasury, sold for cash or (provided Listing Rule requirements are met) transferred to an employee share scheme. The effect of any cancellation would be to reduce the number of shares in issue. For most purposes, while held in treasury, shares are treated as if they have been cancelled (for example, they carry no voting rights and do not rank for dividends). The Directors will only make purchases under this authority if they believe that to do so would result in an increased earnings per share and would be in the interests of shareholders generally.

As at 17 March 2010, the latest practicable date prior to the publication of this document, options and LTIP awards to subscribe for ordinary shares were outstanding over 4,290,360 ordinary shares of 25 pence each in the Company, representing approximately 2.8% of the issued share capital of the Company at that date. If the proposed market purchase authority were used in full and the repurchased shares cancelled, shares over which options and LTIP awards were outstanding would, as at that date, represent approximately 3.1% of the Company's issued share capital.

## **Resolution 11 – Amending the Articles of Association**

The Company is proposing to remove its objects clause together with all other provisions of its Memorandum of Association which, by virtue of the Companies Act 2006, are treated as forming part of the Company's Articles of Association as of 1 October 2009. Part (a) of resolution 11 effects the removal of these provisions. The Companies Act 2006 also abolishes the requirement for a company to have an authorised share capital. One consequence of part (a) of resolution 11 is that the statement of the Company's authorised share capital imported from the Memorandum is prevented from continuing to form part of the Articles of Association and operating as a limit on future issues of shares. Part (b) of resolution 11 deletes provisions from the Company's Articles of Association which refer to authorised share capital. The Directors will still be limited as to the number of shares they can at any time allot because an allotment authority such as that proposed in resolution 7 continues to be required under the Companies Act 2006.

## **Resolution 12 – Notice of General Meetings**

Following the introduction of new rules on 3 August 2009 to implement the Shareholder Rights Directive, in order to preserve its flexibility to call general meetings (other than an Annual General Meeting) on 14 clear days' notice, the Company must offer all shareholders the opportunity to appoint a proxy electronically (via the website of the Company or its registrars) and must obtain the approval of its shareholders by means of a special resolution passed each year. Resolution 12 seeks such approval. It is intended that this flexibility will only be used for non-routine business and where merited in the interests of shareholders as a whole. A similar resolution will be proposed at future Annual General Meetings.