

THE COMPANIES ACTS 1908 TO 1917

COMPANY LIMITED BY SHARES



## Memorandum of Association

OF

# EXPAMET INTERNATIONAL PLC

*(As adopted by Special Resolution passed on 16th May 1984)*

1. The name of the Company is "EXPAMET INTERNATIONAL PLC"
2. The Company is a Public Company.
3. The registered office of the Company will be situate in England.
4. The objects for which the Company is established are:
  - (A) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise, in any part of the world.
  - (B) To acquire any such shares, stocks, debentures, debenture stock, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
  - (C) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any such shares, stocks, debentures, debenture stocks, bonds, notes, obligations or other securities (including, without prejudice to the generality of the foregoing, all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof) and to provide managerial and other executive supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
  - (D) To acquire by any means any real or personal property or rights whatsoever.
  - (E) To carry on any other business in the United Kingdom or in any foreign country which may seem to the Company capable of being conducted directly or indirectly for the benefit of the Company.

- (F) To make experiments in connection with any business or proposed business of the Company, and to apply for or otherwise acquire in any part of the world any patents, patent rights, brevets d'invention, licences, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use and manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (G) To acquire by any means the whole or any part of the assets, and to undertake the whole or any part of the liabilities, of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in connection therewith, or to acquire an interest in, amalgamate or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance, with any such person and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, whether fully or partly paid up, debentures, or other securities or rights that may be agreed upon.
- (H) To acquire and hold shares or other interests in or securities of any other company and otherwise invest and deal with the moneys of the Company.
- (I) To lend money or give credit to such persons on such terms as may seem expedient.
- (J) To borrow money and to secure by mortgage, charge or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, the discharge by the Company or any other person of any obligation or liability.
- (K) To guarantee the performance of any obligation by any person whatsoever.
- (L) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (M) To apply for, promote and obtain any Act of Parliament, charters, privileges, concessions, licences or authorisations of any government, state, municipality, department or other authority for enabling the Company to carry any of its objects into effect or for extending any of the Company's powers or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any actions, steps, proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or of its members.
- (N) To enter into any arrangement with any governments or authorities (supreme, municipal, local or otherwise), or any corporation, companies, or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority, corporation, company or person any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable, and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.

- (O) To establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company, or any such subsidiary or of any of the predecessors of the Company or any such other company as aforesaid, or who may be or have been directors or officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, trusts, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of, the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (P) To procure the Company to be registered or recognised in any part of the world.
- (Q) To promote any other company for the purpose of acquiring all or any of the property and/or undertaking any of the liabilities of that company, or of undertaking any business or operations which may appear likely to assist or benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares, debentures or other securities of any such company as aforesaid.
- (R) To dispose by any means of the whole or any part of the assets of the Company.
- (S) To do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (T) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

Provided always that if from time to time it shall be found necessary, advisable or desirable for the Company to realise all or any part of its property or assets any surpluses or deficiencies arising on or from such realisation shall be dealt with as capital surpluses not available for the payment of dividends or as capital deficiencies which shall be charged against capital account.

And it is hereby declared that the word "company" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporate, and whether domiciled in the United Kingdom or elsewhere, and the objects specified in each of the paragraphs of this clause shall be regarded as independent objects, and accordingly shall in nowise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company.

5. The liability of the members is limited.

6. The share capital of the Company is £140,000, divided into 140,000 shares of £1 each.

NOTES:— By Special Resolutions passed on 11th July 1947:—

(a) The 140,000 issued and fully paid Ordinary Shares of £1 each (being the original capital of the Company) were subdivided into Ordinary Shares of 5s. each and the 560,000 Ordinary Shares of 5s. each resulting therefrom were converted into £140,000 Ordinary Stock

(b) The capital of the Company was increased from £140,000 to £350,000 by the creation of 175,000 4½ per cent. Cumulative Preference Shares of £1 each and 140,000 Ordinary Shares of 5s. each.

Further increases of capital have been effected by Ordinary Resolutions as follows:—

Date of Ordinary Resolution	Increase		Shares created
	From	To	
4th July, 1952	£350,000	£475,000	500,000 Ordinary of 5s. each
5th April, 1954	£475,000	£575,000	400,000 " " "
29th September, 1955	£575,000	£625,000	200,000 " " "
12th November, 1957	£625,000	£750,000	500,000 " " "
18th December, 1958	£750,000	£1,175,000	1,700,000 " " "
26th April, 1961	£1,175,000	£2,000,000	3,300,000 " " "
4th May, 1966	£2,000,000	£2,500,000	2,000,000 " " "
19th May, 1971	£2,500,000	£3,000,000	2,000,000 " " 25p "
16th May, 1973	£3,000,000	£5,000,000	8,000,000 " " "
13th June, 1977	£5,000,000	£6,500,000	6,000,000 " " "
15th May, 1985	£6,500,000	£8,000,000	6,000,000 " " "
11th July, 1986	£8,000,000	£10,000,000	8,000,000 " " "
11th February, 1988	£10,000,000	£12,500,000	10,000,000 " " "
16th June, 1988	£12,500,000	£12,325,000	Cancellation of 175,000 Cum Pref Shares
13th February, 1989	£12,325,000	£15,000,000	10,700,000 Ordinary of 25p each
25th April, 1991	£15,000,000	£21,600,000	25,600,000 " " "

By various Ordinary Resolutions of the Company, 8,502,772 of the above Ordinary Shares of 5s. each have been converted into £2,125,693 Ordinary Stock.

In the new Articles of Association of the Company adopted by a Special Resolution passed on 19th May 1971 references in the Articles to "Ordinary shares of 5s. each" and to "Ordinary Stock in units of 5s. each" were deleted and replaced by references to "Ordinary Shares of 25p each" and to "Ordinary Stock in units of 25p each" respectively.

By Ordinary Resolution passed on 15th May 1974:—

(a) all the issued Stock Units of 25p each of the Company be and they are hereby reconverted into fully paid Ordinary Shares of 25p each; and

(b) in so far as any Resolution of the Company passed prior to the date of the passing of this Resolution provides for the future conversion of any unissued share capital into Stock Units the provisions of such Resolution shall to that extent forthwith be revoked and cease to have effect.

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber.
GEO. E. DENTON, "Avon", The Grove, Palmer's Green, London, N. 13. <i>Accountant.</i>	One
P. W. KEIGHLEY, 52, Honeybrook Road, Clapham Park, S.W.12. <i>Private Secretary.</i>	One

DATED this 19th day of December, 1918.

WITNESS to all the above Signatures:—

W. J. H. MOLL.

2, Suffolk Lane,

London, E.C.4.

*Managing Clerk with*

Messrs. KEKEWICH, SMITH & KAYE,

*Solicitors.*

THE COMPANIES ACTS 1908 TO 1917

COMPANY LIMITED BY SHARES

Articles of Association

OF

EXPAMET INTERNATIONAL PLC

*(Adopted by Special Resolution passed on 24th April 1990)*

*(As amended by Special Resolution passed 29th April 1999)*

PRELIMINARY

1. The regulations contained in Table A in Schedule 1 to the Companies Act 1948 as amended shall not apply to the Company.
2. In these Articles, if not inconsistent with the subject or context, the following words shall bear the following meanings:

WORDS	MEANINGS
the Acts ..	The Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.
the Group ..	The Company and any subsidiary or subsidiaries for the time being of the Company.
the Office ..	The Registered Office for the time being of the Company.
these Articles ..	These Articles of Association as originally framed or as from time to time altered.
the Seal ..	The Common Seal if any of the Company and an official seal if any kept by the Company by virtue of section 40 of the Act, or either of them, as the case may be.
the Uncertificated Securities Regulations ..	The Uncertificated Securities Regulations 1995.
in writing ..	Written, printed or lithographed, or visibly expressed by any substitute for writing or partly by one of such means and partly by another or others.
paid up ..	Paid up and/or credited as paid up.
the United Kingdom ..	Great Britain and Northern Ireland.
dividend ..	Dividend and/or bonus.
Executive Director ..	A Director for the time being holding executive office.
Ordinary Director ..	Any Director who is not an Executive Director.

Words importing the singular number shall include the plural, and vice versa. Words importing the masculine gender shall include the feminine, and persons shall include corporations *mutatis mutandis*.

Save as aforesaid any words or expressions defined in the Acts shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

The expression Secretary shall (subject to the provisions of the Acts) include an assistant or Deputy Secretary, and any person appointed by the Directors to perform any of the duties of the Secretary.

The headings are inserted for convenience and shall not affect the construction of these Articles.

A reference to any statute or regulation made pursuant to any statute or provision of a statute or such regulations includes a reference to any modification or re-enactment of it or them for the time being in force.

Save as aforesaid, and unless the context otherwise requires, words or expressions defined in the Acts or the Uncertificated Securities Regulations and contained in these Articles bear the same meanings as in the Acts or the Uncertificated Securities Regulations (as the case may be).

A reference to shares in "uncertificated form" means shares title to which is recorded in the Register of Members as being held in such form and which by virtue of the Uncertificated Securities Regulations may be transferred by means of a relevant system and a reference to shares in "certificated form" means shares title to which is not and may not.

#### SHARE CAPITAL AND VARIATION OF RIGHTS

3. The share capital of the Company at the date of amendment of these Articles is £21,400 000 divided into 85,600,000 Ordinary Shares of 25p each.

4. (1) Subject to the provisions of the Acts and without prejudice to any rights for the time being conferred on the holders of any shares or class of shares, any share in the Company may be issued with such preferred, deferred or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine and subject to the provisions of the Acts the Company may issue any shares which are, or at the option of the Company or the holder, liable to be redeemed.
- (2) Subject to the provisions of the Acts, any preference shares may be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special Resolution determine.

5. Subject to the provisions of the Acts, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied, either whilst the Company is a going concern or during or in contemplation of a winding up, either (a) in such manner (if any) as may be provided by such rights or (b) in the absence of any such provision, with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of the class, but not otherwise.

6. (1) Unless otherwise expressly provided by these Articles or by the rights conferred upon the holders of any class of shares those rights shall be deemed to be varied by the creation of further shares ranking in any respects in priority thereto but shall not be deemed to be varied by the reduction of the capital paid up on such shares and by the creation

of further shares ranking in any respect in priority thereto but shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

- (2) Subject to the Acts the Company may purchase any of its own shares (including any redeemable shares).
- (3) To every separate meeting all the provisions of these Articles and of the Acts relating to General Meetings of the Company or to the proceedings thereof shall, *mutatis mutandis*, apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal amounts of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as defined above is not present those members who are present shall be a quorum) and that the holders of the shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

7. Subject to the provisions of the Acts and of any resolutions of the Company in General Meeting passed pursuant thereto the unissued shares for the time being in the capital of the Company shall be at the disposal of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons and on such terms as they think fit.

8. In addition to all other powers of paying commissions, the Company (or the Directors on behalf of the Company) may exercise the powers conferred by the Acts of paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing so to do, whether absolutely or conditionally, and subject to the provisions of the Acts any such commissions may be satisfied by the payment of cash or (with the sanction of an Ordinary Resolution) by the allotment of fully or partly paid shares of the Company, or partly in the one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

9. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except only as by these Articles otherwise provided or as by law required) the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

10. Every holder of shares (other than a recognised person in respect of whom the Company is not required by law to complete and have ready a certificate) shall be entitled without payment, in the case of certificated shares, to one certificate for all the shares of each class held by him (and upon transferring a part of his holding of shares of any class, to a certificate for the balance of that holding) or upon payment for every certificate after the first such reasonable sum as the Directors may determine, to several certificates each for one or more of his shares. Every certificate shall be issued under seal (or under signature of appropriate officers as statutory authority may permit or such other form of authentication as the Directors may determine) and specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up on them. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

11. If a share certificate is lost, destroyed, defaced or worn out, it may be renewed without charge, and (in case of loss or destruction) on such terms (if any) as to evidence and indemnity as the Directors think fit, and (in case of defacement or wearing out) on delivery up of the old certificate.



12. (1) (a) The holding of ordinary shares of 25p each in the capital of the Company in uncertificated form shall be permitted;
- (b) the transfer of title to such shares by means of a relevant system shall be permitted; and
- (c) to the extent any provisions contained in these Articles shall be inconsistent with paragraphs (a) or (b) above or the Uncertificated Securities Regulations those provisions shall be deemed to be deleted and shall not apply to any uncertificated ordinary shares.
- (2) The Company shall issue shares in uncertificated form and shall change shares from uncertificated form to certificated form and vice versa only in accordance with the terms of the Uncertificated Securities Regulations.

#### LIEN

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article.

14. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some moneys in respect of which the lien exists are presently payable, and fourteen days have expired after a notice in writing, stating and demanding payment of the moneys presently payable, and giving notice of intention to sell in default, has 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.

15. To give effect to the sale the Directors may authorise some person to execute an instrument of transfer of the share sold, or in the case of shares for the time being in uncertificated form to take such other steps in the name of the holder as may be necessary to transfer the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the share shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

16. 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 reference to the sale.

17. 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, any residue shall (in the case of shares in certificated form upon surrender to the Company for cancellation of the certificate for the shares sold and 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.

#### CALLS ON SHARES

18. The Directors may, subject to the provisions of these Articles and to any conditions of allotment, from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the amount of the shares or by way of premium); and each member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.

19. A call may be made payable by instalments. A call may be postponed and a

call may be wholly or in part revoked as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

20. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at the appropriate rate (as defined by the Acts) but the Directors shall be at liberty to waive payment of such interest wholly or in part.

21. Any sum which by or pursuant to the terms of issue of a share becomes payable upon allotment or at any fixed date whether on account of the amount of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by or pursuant to 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, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

22. The Directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

23. The Directors may receive from any member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a 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 the Company may pay interest 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, at such rate as the member paying such sum and the Directors agree.

#### FORFEITURE OF SHARES

24. If a member fails to pay any call or instalment of a call before or on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

25. The notice shall name a further day (not earlier than fourteen days from the date of service thereof) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the day and at the place appointed the shares on which the call was made will be liable to be forfeited.

26. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect, and such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

27. Subject to the provisions of the Acts, a forfeited share may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors think fit, and at any time before a sale, re-allotment or disposal the forfeiture may be cancelled on such terms as the Directors think fit. The Directors may authorise some person to transfer a forfeited share to any other person as aforesaid.

28. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares and interest thereon in accordance with Article 20, and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture.

29. A statutory declaration that the declarant is a Director or the Secretary of the Company, and that a share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together, in the case of shares in certificated form, with the certificate for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be so required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

#### TRANSFER OF SHARES

30. All transfers of shares in certificated form shall be effected by transfer in writing in the usual common form or in any other form approved by the Directors, and need not be under Seal.

31. The instrument of transfer of a share in certificated form shall be signed by or on behalf of the transferor and, in the case of a partly paid share, by the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

32. (1) The Directors may, in their absolute discretion, and without assigning any reason therefor, refuse to register any transfer of shares in certificated form (not being fully paid shares) and they may also refuse to register any transfer of shares in certificated form on which the Company has a lien provided that, if the share is listed on the Official List, such refusal does not prevent dealings in the shares taking place on an open and proper basis.

(2) If the Directors refuse to a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

33. (1) The Directors may decline to recognise any instrument of transfer, unless it is:—

(A) duly stamped, is deposited at the office or such other place as the Directors may appoint, and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. In the case of transfer by a Stock Exchange nominee the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question;

(B) in respect of only one class of share; and

(C) in favour of not more than four transferees.

(2) In the case of shares for the time being in uncertificated form transfers shall be registered only in accordance with the terms of the Uncertificated Securities Regulations but so that the Directors may

refuse to register a transfer which would require shares to be held jointly by more than four persons.

- (3) If the Directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the Company, or in the case of uncertificated shares the Operator-instruction was received by the Company, send to the transferee notice of the refusal.

34. The registration of transfers of shares or any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may from time to time determine but so that such a suspension shall only apply to uncertificated shares with the prior consent of the Operator.

35. The Company shall not be entitled to charge any fee in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney, stop notice or other document relating to or affecting the title to any shares.

36. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors refuse to register shall (except in any case of fraud) be returned to the person depositing the same.

37. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

38. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof. It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of any such documents so destroyed was duly and properly made and that every such document so destroyed was valid and effective and had been duly and properly registered, cancelled or recorded in the books or records of the Company, as the case may be. Provided always that:—

- (A) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (B) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- (C) References herein to the destruction of any document include references to the disposal thereof in any manner.

#### TRANSMISSION OF SHARES

39. In the case of the death of a member the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder from any liability in respect of any share jointly held by him.

40. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as

may from time to time be required by the Directors, and subject as hereinafter provided, elect either to be registered himself as the holder of the share or in the case of certificated shares to have some person nominated by him registered as the holder thereof.

41. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by signing a transfer of the share in favour of that person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by such member.

42. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he shall not be entitled in respect of that share to receive notices 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 until he shall have become a member in respect of the share.

#### UNTRACED SHAREHOLDERS

43. (1) The Company shall be entitled to sell the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:—
- (i) during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the later thereof) at least three dividends have become payable on or in respect of the shares in question and all warrants and cheques sent by the Company through the post in a prepaid letter addressed to the member at his registered address or to the person entitled at the address shown in the Register of Members as his address have remained uncashed; and
  - (ii) the Company shall have inserted advertisements in a national daily newspaper and a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected is located giving notice of its intention to sell the said shares; and
  - (iii) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received neither indication of the whereabouts nor of the existence of such member or person; and
  - (iv) notice shall have been given to The Stock Exchange in London of its intention to make such sale.
- (2) To give effect to any such sale the Company may appoint some person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer 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 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 or its holding company if any) as the Directors may from time to time think fit.

#### STOCK

44. The Company may by ordinary resolution convert any paid up shares into stock, and re-convert any stock into paid up shares of any denomination.

45. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations, as would have applied to the shares from which the stock arose if they had not been converted, or as near thereto as circumstances admit, but the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, but so that such minimum shall not exceed the nominal amount of each of the shares from which the stock arose.

46. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages in all respects as if they held the shares from which the stock arose provided that no such privilege or advantage (except participation in dividends and profits of the Company and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

47. All the provisions of these Articles applicable to paid up shares shall apply to stock, and in all such provisions the words "share" and "member" shall include "stock" and "stockholder" respectively.

#### INCREASE OF CAPITAL

48. The Company may by Ordinary Resolution increase its capital by such sum, to be divided into shares of such amounts, as the resolution may prescribe.

49. All new shares shall be subject to the provisions of these Articles with reference to payment of calls, lien, forfeiture, transfer, transmission and otherwise, and, unless otherwise provided by these Articles, by the resolution creating the new shares or by the conditions of issue, the new shares shall be ordinary shares.

#### ALTERATION OF CAPITAL

50. The Company may by Ordinary Resolution:—

- (A) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (B) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject nevertheless to the provisions of the Acts), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and
- (C) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;

and may by Special Resolution reduce its share capital and any capital redemption reserve fund and any share premium account in any manner authorised by the Acts and diminish the amount of its share capital by the amount of the shares so cancelled.

51. Whenever as a result of any consolidation of shares any members would become entitled to fractions of a share, the Directors may for the purpose of eliminating such fractions sell the shares representing the fractions for the best price reasonably obtainable and distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares, and for the purpose of any such sale the Directors may authorise some person to transfer the shares representing the fractions to the purchaser thereof, whose name shall thereupon be entered in the Register of Members as the holder of the shares, and who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### GENERAL MEETINGS

52. Subject to the provisions of the Acts, the Annual General Meeting shall be held at such time and place as the Directors may determine.

53. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Acts.

#### NOTICE OF GENERAL MEETINGS

54. (1) Subject to the provisions of the Acts, an Annual General Meeting and an Extraordinary General Meeting for the passing of a Special Resolution shall be called by twenty one days' notice at the least, and all other Extraordinary General Meetings shall be called by fourteen days' notice at the least. The notice shall be exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given. Every notice shall be in writing and shall specify the place, the day and the time of meeting, and (in the case of special business) the general nature of such business, and in the case of an Annual General Meeting shall specify the meeting as such. Notices shall be given in the manner hereinafter mentioned to all the members, other than those who under the provisions of these Articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the auditors for the time being of the Company. Provided that a General Meeting of the Company shall, notwithstanding that it is called by a shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—
- (A) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
  - (B) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving a right to attend and vote at the meeting.
- (2) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.
- (3) It shall be the duty of the Company, subject to the provisions of the Acts, on the requisition in writing of such number of members as is specified in the Acts and (unless the Company otherwise resolves) at the expense of the requisitionists, (A) to give to members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved

at that meeting, and (B) to circulate to members entitled to have notice of any General Meeting sent to them any statement of not more than one thousand words with respect to the matters referred to in any proposed resolution or the business to be dealt with at that meeting.

55. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

56. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring dividends, the consideration of the accounts and balance sheet and the reports of the Directors and auditors and other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the reappointment of the retiring auditors (other than retiring auditors who have been appointed by the Directors to fill a casual vacancy) and the fixing of the remuneration of the auditors.

57. Where, by any provision contained in the Acts, special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Acts permit) before the meeting at which it is moved, and the Company shall give to the members notice of any such resolution as required by and in accordance with the provisions of the Acts.

58. No business shall be transacted at any General Meeting unless a quorum is present. Save as in these Articles otherwise provided, two persons entitled to vote at the meeting each being a member or a proxy for a member or a representative of a corporation which is a member (duly appointed as such in accordance with the Acts) shall be a quorum for all purposes.

59. If within half an hour from the time appointed for the meeting, or such longer interval not being more than one hour as the Chairman of the meeting may think fit a quorum is not present, the meeting, if convened on the requisition of, or by, members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

60. The Chairman, or in his absence the Vice-Chairman (if any), of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman or Vice-Chairman, or if at any meeting the Chairman or Vice-Chairman be not present within fifteen minutes after the time appointed for holding the meeting, or be unwilling to act as Chairman, the Directors present shall choose some Director present to be Chairman, or if no Director be present, or if all the Directors present decline to take the chair, the members present shall choose some member present to be Chairman.

61. 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 from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, seven clear days' notice at the least, specifying the place, the day and the time of the adjourned meeting shall be given, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment.



62. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded:—

- (A) by the Chairman; or
- (B) by not less than three members having the right to vote at the meeting; or
- (C) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (D) by a member or members holding shares of the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

63. Unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of General Meetings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

64. The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority (A) to demand or join in demanding a poll (and for the purposes of Article 62 a demand by a person as proxy for a member shall be the same as a demand by the member); and (B) to vote on a poll on the election of a Chairman and on a motion to adjourn a meeting.

65. No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting shall be valid and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.

66. If a poll is duly demanded, it shall be taken in such manner 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 (who need not be members), and may fix some place and time for the purpose of declaring the result of the poll.

67. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken forthwith or at such time and place as the Chairman directs not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

68. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a further or casting vote.

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

70. No notice need be given of a poll not taken forthwith if the time and place

at which it is to be taken are announced at the meeting in respect of which it is demanded. In any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### VOTES OF MEMBERS

71. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative or proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. On a poll every member who is present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder.

72. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the share.

73. A member of unsound mind in respect of whom an order has been made by any competent court may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person appointed by such court (who may on a poll vote by proxy) provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.

74. (1) No member shall have the right to vote at any General Meeting or at any separate meeting of the holders of any class of shares, either in person or by representative or proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.
- (2) If a member, or any other person appearing to be interested in shares held by that member, has been given notice under section 212 of the Acts and has failed in relation to any shares ("the default shares") to give the Company the information thereby required within the prescribed period from the date of the notice, the following sanctions shall apply, unless the Directors otherwise determine:
- (A) the member shall not be entitled in respect of the default shares to vote (either in person or by representative or proxy) at any General Meeting or at any separate meeting of the holders of any class of shares or to exercise any other right conferred by membership in relation to any such meeting; and
  - (B) where the default shares represent at least 0.25 per cent of their class -
    - (i) any dividend or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 138 to receive shares instead of that dividend; and
    - (ii) no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless -
      - (A) the member is not himself in default as regards supplying the information required; and
      - (B) the member provides evidence to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares the

subject of the transfer.

- (3) Where the sanctions under paragraph (2) above apply in relation to any shares, they shall cease to have effect
  - (A) if the shares are transferred by means of an excepted transfer; or
  - (B) at the end of the period of seven days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the notice mentioned in that paragraph.
- (4) For the purposes of this Article -
  - (A) a person other than the member holding a share shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
  - (B) "interested" shall be construed as it is for the purpose of section 212 of the Acts;
  - (C) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes (i) reference to his having failed or refused to give all or any part of it and (ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
  - (D) "the prescribed period" means -
    - (i) in a case where the default shares represent at least 0.25% per cent of their class, fourteen days; and
    - (ii) in any other case, twenty-eight days;
  - (E) an "excepted transfer" means, in relation to any shares held by a member -
    - (i) a transfer pursuant to acceptance of take-over offer for the Company (within the meaning in section 14 of the Company Securities (Insider Dealing) Act 1985); or
    - (ii) a transfer in consequence of a sale made through a recognised person or other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
    - (iii) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.
- (5) Where, on the basis of information obtained from a member in respect of any share held by him, the Company gives a notice under section 212 of the Acts to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of paragraph (2) above.

75. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any

such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

76. On a poll votes may be given either in person or by proxy; and a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

77. Any person (whether a member or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion.

78. The instrument appointing a proxy shall be in writing in any usual or common form, or such other form as may be approved by the Directors, and shall be signed by the appointor or by his agent duly authorised in writing, or if the appointor is a corporation shall be either under its common seal or under the hand of an officer or agent so authorised. The signature on an instrument of proxy need not be witnessed.

79. The instrument appointing a proxy and the authority (if any) under which it is signed, or a certified copy of such authority, shall be deposited at the office, or at such other place in the United Kingdom as is specified for that purpose in the notice calling the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

80. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the Chairman of the meeting.

81. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal, or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation has been received by the Company at the office three hours at least before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

82. The Directors may at the expense of the Company send, by post or otherwise, to the members instruments of proxy (with or without provision for their return prepaid) for use at any General Meeting or at any separate meeting of the holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote thereat by proxy. The accidental omission to send such an instrument or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

#### CORPORATIONS ACTING BY REPRESENTATIVES

83. Any corporation which is a member of the Company may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

## DIRECTORS

84. Unless and until otherwise determined by the Company by Ordinary Resolution, the number of Directors shall be not less than four nor more than twelve.

85. A Director shall not require a share qualification, but shall nevertheless be entitled to attend and speak at any General Meeting or at any separate meeting of the holders of any class of shares of the Company.

86. The Directors shall be entitled to be paid a fee for their services in the office of Director at a rate determined by the Board provided the aggregate of such fees shall not exceed £200,000 per annum. The Company by Ordinary Resolution may also vote extra remuneration to the Directors, which shall (unless otherwise determined by the resolution by which it is voted) be divided between the Directors as they may agree, or, failing agreement, equally. The Directors' remuneration shall be deemed to accrue from day to day. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company, or in attending and returning from meetings of the Directors or of Committees of the Directors or General Meetings.

87. Any Director who serves on any Committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, participation in profits or otherwise as the Directors may determine.

88. Any Director may at any time appoint any person approved by the Directors to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office and, subject to such approval as aforesaid, appoint another person in his place. An alternate Director so appointed shall not be required to hold any share qualification. Subject to his giving to the Company an address within the United Kingdom (or otherwise in accordance with Article 114) at which notices may be served upon him an alternate Director shall be entitled to receive notices of all meetings of the Directors, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of such appointor. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that: if any Director retires whether by rotation or otherwise but is reappointed, or is deemed to have been reappointed by the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his reappointment as if he had not so retired. All appointments and removals of alternate Directors shall be effected by notice in writing under the hand of the Director making or revoking such appointment sent to or left at the Office.

89. An alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him, and shall consist of such part (if any) of the last-mentioned remuneration as shall be agreed between the alternate Director and the Director appointing him.

90. The office of a Director shall be vacated in any of the following events, namely:—

- (A) If (not being a Director who has agreed to serve as a Director for a fixed term) he resign his office by notice in writing under his hand

sent to or left at the Office.

- (B) If he become bankrupt or make any arrangement or composition with his creditors generally.
  - (C) If he become of unsound mind.
  - (D) If he be absent from meetings of the Directors for six successive months without leave, and his alternate Director (if any) shall not during such period have attended in his stead, and the Directors resolve that his office be vacated.
  - (E) If being an Executive Director he ceases to hold an executive office.
  - (F) If he cease to be a Director by virtue of, or becomes prohibited from being a Director by reason of any order made under, any provisions of the Acts.
91. (A) Subject to the provisions of Article 104, a Director, including an alternate Director, may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director and may act in a professional capacity to the Company, on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.
- (B) No Director or intending Director, including an alternate Director, shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way, whether directly or indirectly, interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
- (C) A Director, including an alternate Director, who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of Directors. In the case of a proposed contract the declaration shall be made at the meeting of the Directors at which the question of entering into the contract is first taken into consideration, or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of Directors held after he became so interested. In a case where the Director becomes interested in a contract after it is made the declaration shall be made at the first meeting of the Directors held after the Director becomes so interested. In a case where the Director is interested in a contract which has been made before he was appointed a Director the declaration shall be made at the first meeting of the Directors held after he is so appointed.
- (D) For the purposes of the last preceding paragraph a general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with the company or firm shall (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given) be deemed a sufficient declaration of interest in relation to any contract so made.
- (E) Subject to the provisions of Article 104, a Director, notwithstanding his interest, may be counted in the quorum present at any meeting

whereat any other Director is appointed to hold any office or place of profit under the Company, or whereat the terms of any such appointment are arranged or varied, and he may vote on any such appointment (and be counted in the quorum), or the arrangement or variation of the terms thereof, other than his own appointment, or the arrangement or variation of the terms thereof. A Director may not be counted in the quorum concerning his own appointment.

(F) Save as in these Articles otherwise provide, a Director shall not, as a Director, vote in respect of any contract or arrangement in which he is interested, and if he shall do so his vote shall not be counted, nor, save as aforesaid, shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall apply to:—

- (1) any contract or arrangement giving the Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- (2) any contract or arrangement giving any security or guarantee to a third party in respect of a debt or obligation of the Company or of any subsidiary of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or
- (3) any contract or arrangement by a Director to subscribe for or underwrite shares or debentures of the Company, or of any other company which the Company may promote or be interested in; or
- (4) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); or
- (5) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes; or
- (6) any resolution relating to the purchase or maintenance for any Director or Directors of insurance against any liability, or
- (7) any resolution relating to an arrangement for the benefit of the employees of the Company or any of its subsidiaries, including but without being limited to an employees' share scheme, which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates.

(G) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to paragraph F (4) of this Article) shall

be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(H) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. If the Director concerned is the Chairman of the meeting, the ruling of the majority of the other Directors in relation to the Chairman shall be final and conclusive.

(I) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

92. Any Director, including an alternate Director, may continue or become a director or other officer or member of, or otherwise interested in any other company promoted by the Company or in which the Company may be interested, as a member or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or other officer or member of, or from his interest in 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 or other officers of such company, or voting or providing for the payment of remuneration to the directors or other officers of such company).

#### ORDINARY DIRECTORS

93. The number of Ordinary Directors shall not be less than two. The Ordinary Directors shall constitute a Remuneration Committee of the Board whose powers shall be those described in Article 104 and whose quorum for the transaction of business shall be not less than two-thirds of the eligible members of the Remuneration Committee for the time being in office. An Executive Director who may be appointed an Alternate for an Ordinary Director may act as such for all purposes except for the purpose of attending and voting at meetings of such Committee.

#### APPOINTMENT, ROTATION REMOVAL AND DISQUALIFICATION OF DIRECTORS

94. Any provision of the Acts which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as a Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall apply to the Company.

95. Subject to the provisions of these Articles, at each Annual General Meeting, one-third of the Directors or, if their number is not three or a multiple of three, the number nearest to but not less than one-third, shall retire from office. A Director retiring at a meeting as aforesaid shall retain office until the dissolution of that meeting.

96. Subject to the provisions of the Acts and of these Articles, the Directors to retire in every year shall be those who have been longest in office since their last appointment or reappointment but as between persons who became or were last



reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Subject as aforesaid, a retiring Director shall be eligible for reappointment.

97. The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office, and in default the retiring Director, if willing to act, shall be deemed to have been reappointed, unless at such meeting it is expressly resolved not to fill the vacancy, or a resolution for the reappointment of such Director is put to the meeting and lost.

98. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for appointment, be eligible for appointment to the office of a Director at any General Meeting unless, not less than seven nor more than forty-two clear days before the day appointed for the meeting, there is given to the Company notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment, and also notice in writing signed by the person to be proposed of his willingness to be appointed.

99. At a General Meeting a motion for the appointment of two or more persons as Directors 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, and for the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

100. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office, and without prejudice to the provisions of the next following Article may by Ordinary Resolution appoint any person to be a Director, either to fill a casual vacancy or as an additional Director.

101. The Directors shall have power at any time, and from time to time, to 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 Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of the Acts and of these Articles, any Director so appointed shall hold office only until the conclusion of the next following Annual General Meeting, and shall be eligible for reappointment at that meeting. Any Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

102. Without prejudice to the provisions of the Acts, and to the provisions of Article 90 the Company may, by Extraordinary Resolution, remove a Director before the expiration of his period of office (but such removal shall be without prejudice to any claim such Director may have for breach of any contract of service between him and the Company) and may, by Ordinary Resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or reappointed a Director.

103. Any contract of employment entered into by a Director with the Company shall not include a term that it is to be for a period exceeding five years unless such term is first approved by Ordinary Resolution.

#### EXECUTIVE DIRECTORS

104. The Directors may from time to time appoint any one or more of their body to executive office for such period and, except as hereinafter provided, on such terms as they think fit or, subject to the terms of any contract between him and the Company, to vary such terms or to determine any such appointment. The salary remuneration or other emoluments of any Executive Director including the making of provisions for the payment to him, his widow or other dependants of a

pension and for the participation by him in any scheme or fund providing pension and life assurance benefits shall be determined, subject to the terms of any contract between him and the Company, by the Ordinary Directors in accordance with the provisions of Article 93.

105. The Directors may entrust to and confer upon any Director appointed to any such executive office any of the powers exercisable by them as Directors, other than the power to make calls or forfeit shares, upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### POWERS AND DUTIES OF DIRECTORS

106. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Acts or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles and of the Acts, and to such Directors, whether or not inconsistent with these Articles, as may be prescribed by the Company by Special Resolution but no such direction and no alteration of these Articles shall invalidate any prior act of the Directors which would have been valid if such direction or alteration had not been given or made. The matters to which the Directors shall have regard in the performance of their functions shall include the interests of the Company's employees in general as well as the interests of its members. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

107. The Directors may establish any councils, committees, local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any council, committee, local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

108. The Directors may from time to time, and at any time, appoint any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such appointment may contain such provisions for the protection and convenience of persons dealing with any such agent as the Directors may think fit, and may also authorise any such agent to sub-delegate all or any of the powers, authorities and discretions vested in him.

109. Deleted

110. The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or any such subsidiary or of any of the predecessors in business of the Company or any such other company as aforesaid, or who may be or have been Directors or officers

of the Company or of any such other company as aforesaid and who hold or have held executive positions or agreements for service with the Company or any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such person as aforesaid, and make payments for or towards the insurance of any such person as aforesaid and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject to particulars with respect to the proposed payment being disclosed to the members of the Company and to the proposal being approved by the Company by Ordinary Resolution, if the Acts shall so require, any Director who holds or has held any such executive position or agreement for services shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

111. (1) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities. The Directors shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that save by the sanction of an Ordinary Resolution of the Company that the aggregate of amounts borrowed by the Group and remaining outstanding at any one time (excluding amounts borrowed by any member of the Group from any other member of the Group) shall not exceed twice the aggregate of (1) the nominal amount of the share capital of the Company for the time being issued and paid up and (2) the amounts (if any) standing to the credit of any capital or revenue reserves of the Group (but not any such reserve resulting from a revaluation of the Group's assets nor any sum set aside for taxation) and the amount of any share premium account and of any capital redemption reserve fund of the Group all as shown in the latest published balance sheet of the Group and (3) the amount of goodwill written off during the three financial years ended on the date of the latest published balance sheet of the Group.
- (2) For the purposes of this Article:—
- (A) the amount outstanding in respect of acceptances by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of any member of the Group (not being acceptances in relation to the purchase of goods in the ordinary course of business) shall be taken into account as moneys borrowed;
  - (B) moneys borrowed for the purpose of repaying the whole or any part of any moneys previously borrowed and then outstanding (including any premium payable on final repayment thereof) and applied for that purpose within four months of such borrowing shall not, pending such application, be taken into account as moneys borrowed; and
  - (C) the principal amount (including any premium payable on final repayment) of any debentures issued in whole or in part for a consideration other than cash shall be taken into account as moneys borrowed by the member of the Group issuing the same.
- (3) No debt incurred or security given in respect of moneys borrowed or to be taken into account as moneys borrowed in excess of the

aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

112. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

113. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors may from time to time by resolution determine.

#### PROCEEDINGS OF DIRECTORS

114. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of the Director whom he is representing, to a separate vote on behalf of such Director in addition to his own vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom unless he has left a facsimile number or E-mail address to which notices may be directed and any notice thereby given shall be deemed to be valid.

115. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be three. For the purposes of this Article an alternate Director shall be counted in a quorum, but so that not less than three individuals shall constitute the quorum.

116. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, or below the number fixed by or pursuant to these Articles as the quorum of Directors, the continuing Directors or Director may act for the purpose of filling vacancies in their body or of summoning General Meetings of the Company, but not for any other purpose. If there are no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

117. The Directors may from time to time elect from their number, and remove, a Chairman or Vice-Chairman and determine the period for which he is to hold office. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Directors, but if no such Chairman be elected, or if at any meeting neither the Chairman nor such other Director be present within five minutes after the time appointed for holding the same or if neither of them be willing to act as Chairman, the Directors present may choose one of their number to be Chairman of the Meeting.

118. A resolution in writing, signed by all the Directors for the time being entitled

to receive notice of a meeting of Directors, shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors.

119. A meeting of the Directors for the time being, at which a quorum is present, shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

120. The Directors may delegate any of their powers to Committees consisting of such members or member of their body as they think fit. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

121. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

122. All acts done *bona fide* by any meeting of Directors, or of a Committee of Directors, or by any person acting as Director, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director, or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

#### MINUTES

123. The Directors shall cause minutes to be made:-

- (A) of all appointments of officers made by the Directors;
- (B) of the names of the Directors present at each meeting of Directors and of any Committee of Directors;
- (C) of all resolutions and proceedings at all meetings of the Company and of the Directors and of Committees of Directors.

Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings were held, or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.

#### SECRETARY

124. The Secretary shall be appointed and may be removed by the Directors. The Secretary shall be qualified as required by the Acts.

125. Anything by the Acts required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any Assistant or Deputy Secretary or, if there is no Assistant or Deputy Secretary, capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors: provided that any provision of the Acts or of these Articles requiring or authorising a thing to be done by or to a Director and Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

#### SEAL

126. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of a resolution of the Directors or of a Committee of the Directors authorised in that behalf by the Directors. The Directors may from time to time make such regulations as they think fit (subject to the provisions of these Articles in relation to share and debenture certificates) determining the persons and the number of such persons who shall sign every

instrument to which the Seal is affixed, and until otherwise so determined every such instrument shall be signed by one Director and shall be countersigned by a second Director or by the Secretary.

127. The Company may have official Seals under the provisions of sections 39 and 40 of the Companies Act 1985 for use as the Directors may determine. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such official Seal as aforesaid.

#### DIVIDENDS

128. The profits of the Company available for distribution (as defined in section 263 of the Companies Act 1985) and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

129. No dividend or interim dividend shall be payable otherwise than in accordance with the provisions of Part VIII of the Companies Act 1985 which apply to the Company, and no dividend shall exceed the amount recommended by the Directors.

130. Subject to the rights of persons, if any, entitled to shares with preferential or other special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares (otherwise than in advance of calls) in respect whereof the dividend is paid. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it shall carry any particular rights as to dividend, such share shall rank for dividend accordingly.

131. Subject to the provisions of the Acts and of these Articles the Directors may, if they think fit, from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company. If at any time the share capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights, as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and the Directors may also pay half-yearly, or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of opinion that the profits justify the payment. Provided the Directors act *bona fide* they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.

132. The Directors may deduct from any dividend or other moneys 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 in relation to the shares of the Company.

133. All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividend shall bear interest as against the Company.

134. Any dividend which has remained unclaimed for a period of twelve years from the date of declaration thereof shall, if the Directors shall so resolve, be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely.

135. (1) Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, and in

the case of joint holders to any one of such joint holders, or to such person and such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of the cheque or warrant shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Any such dividend or other money may also be paid by any other method (including direct debit or credit and bank transfer) which the Directors consider appropriate.

- (2) The Company may cease to send any cheque or warrant (or to use any other method of payment) for any dividend payable in respect of a share if:—

- (A) in respect of at least two consecutive dividends payable on that share the cheque or warrant has been returned undelivered or remains uncashed (or that other method of payment has failed); or  
(B) following one such occasion, reasonable enquiries have failed to establish any new address of the holder;

but, subject to the provisions of these Articles, may recommence sending cheques or warrants (or using another method of payment) for dividends payable on that share if the person or persons entitled so request.

136. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

137. A General Meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and the Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed, in order to adjust the rights of members, and may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates, or any part thereof, and otherwise as they think fit.

138. (1) Without prejudice to the generality of Article 137, a General Meeting declaring a dividend on the Ordinary Shares may, upon the recommendation of the Directors, by Ordinary Resolution direct that members may elect to receive fully paid Ordinary Shares in such proportions to their existing holdings of Ordinary Shares (as the case may be) as the resolution may direct in lieu of receiving all or part of the said dividend. The said resolution may specify a particular dividend (whether or not declared), or may specify all or any dividends declared or payable within a specified period, but such period may not end later than the beginning of the fifth Annual General Meeting next following the date of the meeting at which the Ordinary Resolution is passed.

- (2) The entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) that such holder would have received by way of dividend. For this purpose "relevant value" shall be calculated

by reference to the average of the middle market quotations for the Company's Ordinary Shares on the Stock Exchange as derived from the Daily Official List, for the day on which the Ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the Ordinary Resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount.

- (3) Any such election shall, unless the said resolution otherwise directs, be made by lodging a Form of Election (in the form for the time being prescribed by the Directors) at such address as may be specified in the Form of Election or in the absence of such address at the Office not later than nine days after the date the said resolution is passed. The Directors shall, after determining the basis of allotment, notify the holders of Ordinary Shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, Forms of Election must be lodged in order to be effective.
- (4) Upon any such resolution as is mentioned in sub-paragraph (1) above being passed and within fourteen days after the last date for lodging the said Forms of Election, the Directors shall appropriate out of the undistributed profits or reserves of the Company (including any share premium account or capital redemption reserve fund) as they shall determine such an amount as shall be sufficient to pay up in full at par the aggregate number of Ordinary Shares requiring to be allotted to members electing to receive the same pursuant to the said resolution, and shall capitalise such amount and apply the same in paying up in full such number of Ordinary Shares and shall allot and distribute the same credited as fully paid to and amongst the members entitled thereto in accordance with their respective entitlements, but so that fractions of new Ordinary Shares shall be aggregated and sold by some person to be nominated by the Directors and the net proceeds of sale after deduction of all expenses paid to the Company for its own use and benefit absolutely.
- (5) The Directors shall do all acts and things required to give effect to the said capitalisation, and may authorise any person to enter on behalf of all the members entitled to the benefit of such capitalisation into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreements made under such authority shall be effective and binding on all concerned.
- (6) Any Ordinary Shares allotted pursuant to the foregoing provisions of this Article shall rank in full for all dividends (except for the dividends in lieu of which they are allotted) as if the same had been issued and fully paid as from the first day of the financial period of the Company during which the said shares are allotted and in all other respects shall rank *pari passu* with the existing Ordinary Shares of the Company.

#### RECORD DATE

139. Notwithstanding any other provision of these Articles the Company or the Directors may by resolution specify any date (the "record date") as the date at the close of business on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular and such record date may be on or at any time before the date on which the same is paid or made or (in the case of any dividend, distribution, interest, allotment or issue) at any time after the same is recommended, resolved, declared or announced but without prejudice



to the rights *inter se* in respect of the same of transferors and transferees of any such shares or other securities.

#### RESERVES

140. The Directors may before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company (including any premiums received upon the issue of debentures or other securities of the Company) such sums as they think proper as a reserve or reserves, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profits which they may think prudent not to divide.

Notwithstanding anything in any other of these Articles, the Company may by Ordinary Resolution on the recommendation of the Directors determine that any realised accretion of capital assets shall be divided among the members in proportion to the amounts paid up on the Ordinary Shares held by them respectively.

#### CAPITALISATION

141. The Directors may with the authority of an Ordinary Resolution:—

- (A) resolve to capitalise any undivided profits of the Company (including profits carried and standing to any reserve or reserves) not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits, or any sum carried to reserve as a result of the sale of the whole or any part of the assets of the Company or of the revaluation of any such assets (other than revaluation of goodwill) or, subject as hereinafter provided, any sum standing to the credit of the Company's share premium account or capital redemption reserve fund;
- (B) appropriate the profits or sum resolved to be capitalised to the members in the proportion to the number of shares (whether or not fully paid) held by them respectively and apply such profits or sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares in or debentures of the Company of a nominal amount equal to such profits or sum, and allot and distribute such shares or debentures, credited as fully paid up, to and amongst such members in the proportions aforesaid, or partly in one way and partly in the other: provided that the share premium account and the capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members credited as fully paid;
- (C) resolve that any shares allotted under this Article to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividend;
- (D) in pursuance of such resolution as aforesaid, make such provision by the issue of fractional certificates or by payment in cash or otherwise as the Directors think fit in the case of shares or debentures becoming distributable in fractions;
- (E) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or

debentures to which they may be entitled upon such capitalisation (any agreement made under such authority being thereupon effective and binding on all such members);

- (F) generally do all acts and things required to give effect to such resolution as aforesaid.

#### ACCOUNTS

142. The Directors shall cause proper accounting records to be kept in accordance with the Acts.

143. The accounting records shall be kept at the Office, or (subject to the provisions of the Acts) at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.

144. The Directors shall from time to time, in accordance with the provisions of the Acts, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Acts.

145. The auditors' report shall be open to inspection as required by the Acts.

146. A printed copy of the Directors' and auditors' reports accompanied by printed copies of the balance sheet, profit and loss account and other documents required by the Acts to be annexed to the balance sheet shall, not less than twenty-one days before the General Meeting before which they are to be laid, be delivered or sent by post to the registered address of every member and holder of debentures of the Company, and to the auditors for the time being of the Company, and, if all or any of the shares in or debentures of the Company are for the time being listed on any Stock Exchange, there shall at the same time be forwarded to the Secretary of such Stock Exchange such number of copies of each of these documents as may be required by the regulations for the time being of such Stock Exchange.

#### AUDIT

147. Once at least in every year the accounts of the Company shall be examined and the correctness of the balance sheet, profit and loss account and Group accounts (if any) ascertained by an auditor or auditors.

148. Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Acts.

#### NOTICES

149. Any notice or document may be given or served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his address as appearing in the Register of Members. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

150. Any member described in the Register of Members by an address not within the United Kingdom who from time to time gives to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but, save as aforesaid, no member, other than a member described in the Register of Members by an address within the United Kingdom, shall be entitled to receive any notice from the Company.

151. Any member present, either in person or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting, and, where requisite, of the purposes for which such meeting was convened.

- 152 (1) Any notice to be given to a member may be given by reference to the Register of Members as it stands at any time within the period of fifteen days before the notice is given; and no change in the Register after that time shall invalidate the giving of the notice.
- (2) Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register of Members, has been given to the person from whom he derives his title; but this paragraph does not apply to a notice given under section 212 of the Acts.
- (3) The Directors may specify in the notice of the meeting a time, not more than forty-eight hours before the time fixed for the meeting, by which a person must be entered on the Register of Members in order to have the right to attend or vote at the meeting.

153. Any notice required to be given by the Company to the members or any of them, and not provided for by or pursuant to these Articles, shall be sufficiently given if given by advertisement inserted once in at least one leading daily newspaper published in London.

154. Any notice or other document required to be served by the Company on any member, if served by post, shall be deemed to have been served on the day following that on which at the time when the letter containing the same is posted (or, where second-class mail is employed forty-eight hours after the same is posted) and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted. A notice to be given by advertisement shall be deemed to have been served on the day on which the advertisement appears.

155. (1) Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member is then dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice of the death, bankruptcy, insanity or liquidation of such member, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder, unless his name has at the time of the service of the notice or document, been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) The Company is not required to give notices to members whom it knows have not for three years received notices posted to them at their registered address and envelopes containing the notices have been returned undelivered for a three year consecutive period.

#### WINDING UP

156. If the Company is wound up (whether the liquidation is altogether voluntary, under supervision, or by the court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members *in specie* the whole or any part of the assets of the Company, and whether or not the assets consist of property of one kind or of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator, with the like authority, thinks fit, and the liquidation of the Company may be closed and the Company dissolved, but so that

no member shall be compelled to accept any shares in respect of which there is a liability.

#### INDEMNITY

- 157 (1) Every Director or other officer of the Company (or any former Director or other officer of the Company) shall be entitled to be indemnified out of the assets of the Company against:-
- (A) any liability incurred by him in defending any proceedings (whether criminal or civil) in which judgement is given in his favour or he is acquitted; and
  - (B) any liability incurred by him in connection with any application under section 144(3) or (4) of the Acts (acquisition of shares by innocent nominee) or section 727 of the Acts (general power to grant relief in case of honest and reasonable conduct) in which relief is granted to him by the court; and
  - (C) subject to the provisions of the Acts all other costs, charges, expenses, losses or liabilities which he may sustain or incur (whether to the Company or otherwise) in or about the execution of his duties to the Company or as a result of any contract, act, deed, matter of thing made, done, entered into or executed by him on behalf of the Company or in relation to the business of the Company.
- (2) The Directors may purchase and maintain insurance cover at the cost of the Company in respect of any liability, loss or expenditure incurred by any Director or officer of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as Director or officer of the Company.

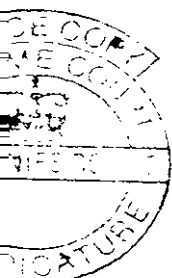
IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT  
MR JUSTICE MILLETT  
13th June 1988

Re: Expamet International plc

**O R D E R**

HERBERT SMITH  
Watling house  
35 Cannon Street  
London  
EC4A 5BD

Ref: 38/CS3



IN THE HIGH COURT OF JUSTICE

No. 001338 of 1988

CHANCERY DIVISION

COMPANIES COURT

MR JUSTICE MILLETT

MONDAY the 13th day of JUNE 1988

IN THE MATTER of Expamet International plc

and

IN THE MATTER of The Companies Act 1985

UPON THE PETITION (as amended) of the above-named  
Expamet International plc (hereinafter called "the Company")  
whose registered office is situate at Clifton House 83/89  
Uxbridge Road Ealing London W5 5TA

AND UPON HEARING Counsel for the Company

AND UPON READING the documents recorded on the Court File  
as having been read

THE COURT SANCTIONS the Scheme of Arrangement as set  
forth in the First Schedule hereto

AND THE COURT CONFIRMS the reduction of the capital of  
the Company from £12,500 to £12,325,000 resolved on and  
effected by a Special Resolution passed at an Extraordinary  
General Meeting of the Company held on 4th May 1988

AND THE COURT APPROVES the Minute set forth in the  
Second Schedule hereto

AND IT IS ORDERED

(1) that this Order be produced by the Company to the  
Registrar of Companies and that it deliver an Office Copy  
to him together with a copy of the said Minute

(2) that notice of the registration by the Registrar of Companies of this Order (so far as it confirms the reduction of the capital of the Company) and of the said Minute be published by the Company once in the "Times" newspaper within 21 days after such registration

WJ

THE FIRST SCHEDULE

Scheme of Arrangement

THE SECOND SCHEDULE

(Minute Approved By the Court)

The capital of Expamet International plc was by virtue of a Special Resolution of the Company and a Scheme of Arrangement sanctioned by an Order of the High Court of Justice dated 13th June 1988 reduced from £12,500,000 divided into 49,300,000 Ordinary Shares of 25p each and 175,000 Preference Shares of £1 each to £12,325,000 divided into 49,300,000 Ordinary Shares of 25p each. At the date of the registration of this minute 36,355,239 of the said Ordinary Shares have been issued and are deemed to be fully paid and the remainder are unissued.

WJ

**SCHEDULE 1**

**THE HIGH COURT OF JUSTICE**  
**CHANCERY DIVISION**

No. 001338 of 1988

**IN THE MATTER OF EXPAMET INTERNATIONAL PLC**  
**AND**  
**IN THE MATTER OF THE COMPANIES ACT 1985**

**SCHEME OF ARRANGEMENT**  
**(under Section 425 of the Companies Act 1985)**

**Between**  
**Expamet International PLC**  
**and**  
**the holders of its 4½ per cent. Cumulative Preference Shares of £1 each.**

**PRELIMINARY**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

'the Company'	Expamet International PLC
'this Scheme'	this scheme in its present form or with any modification thereof or addition thereto or condition approved or imposed by the Court;
'the Preference Shares'	175,000 4½ per cent. Cumulative Preference Shares of £1 each of which 142,000 have been issued by the Company and the remaining shares are unissued;
'the Effective Date'	the day on which this Scheme becomes effective in accordance with Clause 5;
'the Record Date'	the close of business on the business day immediately preceding the Effective Date;
'holder'	includes a person entitled by transmission.

The authorised capital of the Company is £12,500,000 divided into 49,300,000 Ordinary Shares of 25p each and 175,000 Preference Shares of £1 each of which 36,355,239 Ordinary Shares and 142,000 Preference Shares have been issued and are fully paid up or credited as fully paid up and the remainder are unissued.

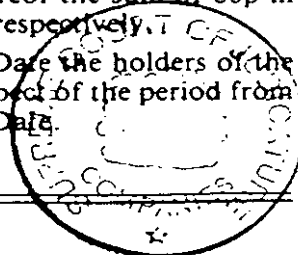
**THE SCHEME**

**Reorganisation of the Capital of the Company**

The capital of the Company shall be reduced from £12,500,000 to £12,325,000 by the cancellation of the Preference Shares.

**Payments by the Company**

- a) In consideration of the cancellation of the issued Preference Shares the Company shall pay to the persons who on the Record Date are the holders thereof the sum of 80p in cash in respect of each Preference Share held by such persons respectively.
- b) The Company shall pay to the persons who are on the Record Date the holders of the issued Preference Shares the fixed dividend on such shares in respect of the period from and including 1st January 1988 to and including the Effective Date.





- 
- (c) Not later than 7 days after the Effective Date the Company shall deliver to the persons entitled thereto cheques for the sums payable in accordance with sub-clauses (a) and (b) of this Clause 2 together with notices informing them that this Scheme has become effective.
3. (a) All deliveries of cheques and notices required by Clause 2(c) of this Scheme shall be effected by duly posting the same in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses as appearing in the Register of Members of the Company on the Record Date (or in the case of joint holdings, at the address of that one of the joint holders whose name stands first in such register in respect of such joint holding) or in accordance with any special instructions regarding communications and the Company shall not be responsible for any loss in transmission. Payment of any such cheque shall be a complete discharge to the Company for the money represented thereby.
- (b) The provisions of this Clause shall be subject to any prohibition or condition imposed by law.

#### **Preference Share Certificates**

4. On the Effective Date all certificates representing holdings of the Preference Shares shall cease to be of value.

#### **The Effective Date**

5. This Scheme shall become effective as soon as an office copy of the Order of the High Court sanctioning this Scheme under Section 425 of the Companies Act 1985 shall have been duly delivered to the Registrar of Companies for registration.
6. Unless this Scheme shall have become effective on or before 31st July 1988 or such later date as may be determined by the Court, if any, as the Court may allow, the same shall never become effective.

#### **Consent to Modifications**

7. The Company may consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose.

Dated 29th March 1988

