

PUBLIC COMPANY LIMITED BY SHARES

Memorandum of Association

Of

STRADBROOK HOLDINGS LIMITED

(As altered by Special Resolution passed on 29th April 1991, 10th November 1997 9th December 1999 and 25 September 2007)

- 1 The Company's name is "**STRADBROOK HOLDINGS LIMITED**"
- 2 The Company's registered office is to be situated in England and Wales
- 3 The Company's objects are
 - (i) To carry on business as a holding company and to acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stocks, debentures, debenture stocks, bonds, obligations, and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, local authority or other public body, whether at home or abroad, and to vary, transpose, dispose of or otherwise deal with from time to time as may be considered expedient any of the Company's investments for the time being
 - (ii) To co-ordinate the administration, policies, management, supervision, control, research, planning, manufacture, trading and any and all other activities of and to act as financial advisers and consultants to any company or companies or group of companies now or hereafter formed or incorporated or acquired which may be or may become related or associated in any way with the Company or with any company related or associated therewith
 - (iii) To acquire any such shares, stocks and others before mentioned by subscription, syndicate participation, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof

* The Company was incorporated with the name "The Daily Mirror Newspapers Limited" The name was changed from "The Daily Mirror Newspapers Limited" to "IPC Newspapers Limited" on 26th July 1968 On 1st March 1975 the name of the Company was changed from "IPC Newspapers Limited" to "Mirror Group Newspapers Limited" On 29th April 1991 the Company was re-registered as a public company On 21st April 1994 the name of the Company was changed from "Mirror Group Newspapers plc" to "Mirror Group PLC" On 9 December 1999 the Company was re-registered as a private company with the name "Mirror Group Limited" On 25 September 2007 the name of the Company was changed from "Mirror Group Limited" to "Stradbroke Holdings Limited"

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- (iv) To enter into and carry into effect, with or without modifications, and before or after the execution thereof, an Agreement, a draft whereof has been prepared, and for the purpose of identification has been initialed by William Graham, a Solicitor of the Supreme Court. The said Agreement is expressed to be made between Pictorial Newspaper Co (1910) Limited, in Liquidation, and Walter Lima and Wallace Durnford Roome, the Liquidators thereof, of the one part, and this Company of the other part
- (v) To acquire, print, publish and circulate, or otherwise deal with any newspaper or newspapers, or other publications, and generally to carry on the business of newspaper proprietors and general publishers
- (vi) To establish or acquire by purchase or otherwise, and to carry on the trades or businesses of paper makers, foresters, timber merchants, lithographers, typefounders, electrotypers, photographic printers, photo-lithographers, chromo-lithographers, engravers, die-sinkers, ink manufacturers, printers, publishers, bookbinders, designers, draughtsmen, booksellers, journalists, reporters, newspaper agents, newsvendors, advertising agents, contractors, or any of them, and all branches thereof respectively, and any other trades or businesses incidental thereto, or arising out of, or which can be conveniently carried on in conjunction with the aforesaid undertakings or businesses, or which the Company may deem likely to benefit the Company
- (vii) To establish, or acquire by purchase or otherwise, periodicals, newspapers, magazines, books, journals and other literary works, and the goodwill thereof, and to undertake and carry on the same
- (viii) To manufacture, contract for, acquire, or enter into arrangements with others for the supply or sale of or dealing with any goods, articles or things which the Company may deem capable of being used, sold, or dealt with for the benefit of the Company, or which can be used in connection with the carrying on of any of the undertakings or businesses of the Company
- (ix) To establish competitions and to arrange for the granting of free insurances in connection with any of the publications or businesses of the Company, and to offer and grant prizes, rewards, and premiums of such character, and in such terms, gratuitous or otherwise as may seem expedient, and to provide for and furnish to any Members of the Company, or customers of, or to any subscribers to or possessors of any publications of the Company, or any coupons or tickets issued with any publications of the Company, a sum of money or any chattels, commissions, advantages, benefits, or special privileges which may seem expedient, and either gratuitously or otherwise
- (x) To carry on any other trade or business whatsoever which can in the opinion of the Directors be advantageously carried on by the Company in connection with or as ancillary to any of the businesses of the Company
- (xi) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified herein, or which are likely to be required by customers or other persons having, or about to have, dealings with the Company
- (xii) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing

- (xiii) To enter into contacts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed
- (xiv) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person or company carrying on any business which may in the opinion of the Directors be capable of being conveniently carried on or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights, or any property suitable for the purposes of the Company
- (xv) To enter into any arrangements with any government or authority national, international, supreme, municipal, local or otherwise, that may in the opinion of the Directors be conducive to the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges, and concessions which in the opinion of the Directors is desirable, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions
- (xvi) To apply for, or join in applying for, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, registered designs, protections, concessions and the like, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting and testing and making researches, and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire
- (xvii) To acquire an interest in, amalgamate with or enter into partnership or into any arrangement for the sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any company, or with any employees of the Company And to lend money to, guarantee the contracts of, or otherwise assist any such company, and to take or otherwise acquire shares or securities of any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same
- (xviii) To lend money to, to subsidise and assist any persons or companies and to act as agents for the collection, receipt or payment of money and generally to act as agents or brokers for and render services to any company, and to undertake and perform sub-contracts
- (xix) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee or otherwise provide security for, with or without the Company receiving any consideration therefor or advantage therefrom, directly or indirectly, by personal covenant or by mortgage, charge or lien over all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by any other means whatsoever, the performance of the obligations and the payment of any moneys (including but not limited to capital or principal, premiums, dividends or interest, commissions, charges, discount and any costs or expenses relating thereto whether on any stocks, shares or securities or in any other manner whatsoever) by any company, firm or person including but not limited to any company which is for the time being the Company's holding company or a subsidiary of the Company each as defined by Section 736 of the Companies Act 1985 or of the Company's holding company as so defined or any company, firm or person who is for the time being a member or otherwise has any interest in the Company or is associated with the Company in any business or venture, or any other person, firm or company whatsoever For the purposes of this paragraph (xix) guarantee shall be construed so as to include any other obligation howsoever described to pay, satisfy, provide funds (whether by advance of money the purchase of or the subscription of shares or other securities, the purchase of assets or services, or otherwise) for the payment or satisfaction of, or to indemnify

against the consequences of default in the payment of or otherwise be responsible for any indebtedness of any other company, firm or person

- (xx) To promote, finance or assist any company for the purpose of acquiring all or any of the property, rights or undertaking or assuming the liabilities of the Company, or for any other purpose which may be in the opinion of the Directors directly or indirectly calculated to benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of such company as aforesaid
- (xxi) To guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets and rights present and future and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any monies whatsoever (including but not limited to capital, principal, premiums, interest, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company whatsoever including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by section 736 of the Companies Act 1985) of the Company or of the Company's holding company or is controlled by the same person or persons as control the Company or is otherwise associated with the Company in its business and to give financial assistance for the purpose of the acquisition of shares in the capital of the Company or any holding company of the Company or for the purpose of reducing a liability incurred by any person for the purpose of such an acquisition subject to the provisions of Section 155 of the Companies Act 1985
- (xxii) To hedge interest rate liabilities and/or any foreign exchange rate fluctuations in relation to any borrowing of the Company and to enter into any master agreement, confirmation, schedule or other agreement for the purpose of hedging such interest rate liabilities and/or any foreign exchange rate fluctuations upon such terms as the Company may approve
- (xxiii) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay, of or incidental to the formation, registration, promotion and advertising of or raising money for the Company, and the issue of its capital including those incurred in connection with the advertising or offering the same for sale or subscription, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares or other securities
- (xxiv) To remunerate any person, firm or company rendering service to the Company whether by cash payment or by the allotment to him or them of shares or securities of the Company credited as fully paid up in full or in part, or otherwise
- (xxv) Generally to purchase, take on lease or exchange, hire or otherwise acquire any real or personal property and any rights or privileges over or in respect thereof
- (xxvi) To receive money on deposit upon such terms as the Directors of the Company may approve
- (xxvii) To invest and deal with the moneys of the Company in such manner as may from time to time be determined by the Directors
- (xxviii) To lend money or give credit with or without security, but not to carry on the business of a registered money lender
- (xxix) To borrow or raise or secure the payment of money in such manner as the Directors shall approve and in particular by the issue of debentures or debenture stock,

perpetual or otherwise charged upon all or any of the Company's property (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities

- (xxx) To remunerate any company for services rendered or to be rendered, in placing, or assisting to place, or guaranteeing the placing or procuring the underwriting of any of the shares or debentures, or other securities of the Company or of any company in which this Company may be interested or propose to be interested, or in or about the conduct of the business of the Company, whether by cash payment or by the allotment of shares, or securities of the Company credited as paid up in full or in part, or otherwise
- (xxxi) To purchase and maintain insurance for the benefit of any person who is an officer or employee, or former officer or employee, of the Company or of any other company which is a subsidiary of the Company or in which the Company has an interest whether direct or indirect or who is or was at any time trustee of any retirement benefits scheme or any other trust in which any such officer or employee or former officer or employee is or has been interested indemnifying such person against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may lawfully be insured against
- (xxxii) 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
- (xxxiii) To sell, lease, exchange, let on hire, or dispose of any real or personal property or the undertaking of the Company, or any part or parts thereof, for such consideration (whether for full value or some other value less than market value of such property) as the Directors shall approve, and, in particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether, or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over or turn to account or otherwise deal with all or any part of the property or rights of the Company
- (xxxiv) To adopt such means of making known the businesses and products of the Company as may in the opinion of the Directors seem expedient, and in particular by advertising in the Press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations
- (xxxv) To support, subscribe or contribute to any charitable or public object or any institution, society or club which may be for the benefit of the Company or its Directors, officers or employees, or the Directors, officers and employees of its predecessors in business or of any subsidiary, allied or associated company, or which may be connected with any town or place where the Company carries on business and to subsidise or assist any association of employers or employees or any trade association To grant pensions, gratuities, annuities or charitable aid and generally to provide advantages, facilities and services to any person (including any Directors or former Directors) who may have served the Company or its predecessors in business or any subsidiary, allied or associated company or to the wives, children or other dependants or relatives of such persons, to make advance provision for the payment of such pensions, gratuities or annuities as aforesaid by establishing or acceding to such trusts, schemes or arrangements (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation for the time being in force) as may seem expedient, to appoint trustees or to act as trustee of any such schemes or arrangements, and to make payments towards insurance for the benefit of such persons or to their wives, children, or other dependants or relatives

- (xxxvi) To establish and contribute to any scheme for the purchase or subscription by trustees of shares in the Company to be held for the benefit of the employees of the Company or any subsidiary, allied or associated company, and to lend money to such employees or to trustees on their behalf to enable them to purchase or subscribe for shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees or any of them
- (xxxvii) To apply for, promote and obtain any Act of Parliament order or licence of the Department of Trade and Industry or other authority for enabling the Company to carry any of its objects into effect or for effecting any modifications of the Company's constitution or for any other purposes which may in the opinion of the Directors seem expedient, and to oppose any proceedings or applications which may in the opinion of the Directors seem calculated directly or indirectly to prejudice the Company's interests
- (xxxviii) To establish, grant and take up agencies in any part of the world, and to do all such other things as the Company may deem conducive to the carrying on of the Company's business, either as principals, or agents, and to remunerate any persons in connection with the establishment or granting of such agencies upon such terms and conditions as the Company may think fit
- (xxxix) To distribute among the shareholders in specie any of the property of the Company or any proceeds of sale or disposal of any property of the Company and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law
- (xi) To amalgamate with any other company
- (xii) To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, subcontractors or otherwise, and either alone or in conjunction with others and to procure the Company to be registered or recognised in any foreign country or place
- (xiii) To do all such other things as are in the opinion of the Directors incidental or conducive to the attainment of the above objects, or any of them

The objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be regarded as independent objects, and shall not be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of this Clause or the objects or powers therein specified or conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph, but the Company shall have as full as power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company

The word "company" in this Clause (except where used in reference to the Company) shall be deemed to include any person or partnership or other body of persons whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated, and words denoting the singular number only shall include the plural number and vice versa. The expression "the Act" in this Clause means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any modification or re-enactment of that provision for the time being in force

- 4 The liability of the Members is limited
- 5 The Capital of the Company is £1,500,000, divided into 800,000 8 per cent Cumulative Preference Shares of £1 each, and 700,000 Ordinary Shares of £1 each, with power to increase and with power from time to time to issue any shares of the original or new capital with any preference or priority in the payment of dividends or the distribution of assets or otherwise over any other shares, whether ordinary or preference, and whether issued or not, and to vary the regulations of the Company as far as necessary to give effect to any such preference or priority, and upon the sub-division of a share to apportion the right to participate in profits or surplus assets, with special rights, priorities, and privileges to any of the sub-divided shares, or the right to vote in any manner as between the shares resulting from such sub-division. The rights for the time being attached to any shares having preferential, deferred, qualified or special rights, privileges or conditions attached thereto may be modified or dealt with in the manner mentioned in Clause 54⁺ of the accompanying Articles of Association, but not otherwise, and that clause of the said Articles shall be deemed to be incorporated in this clause, and have effect accordingly^{..}

⁺ This reference is to the Original Articles of Association

^{..} NOTES ON CAPITAL

By various Resolutions passed between 11th January 1927, and 3rd March 1961, the authorised capital of the Company was increased to £35 000,000. By Special Resolution passed on 18th June 1963, the whole of the share capital was converted into a single class of Ordinary Shares of 5/- each ranking *pari passu* in all respects. As at 19th June 1963, the capital of the Company was £35,000,000 divided into 140,000,000 Ordinary Shares of 5/- each. By Special Resolution passed on 29th April 1991 the authorised share capital of the Company was increased to £135,000,000 by the creation of 400,000,000 Ordinary Shares of 25p each. By Special Resolution passed on 10th November 1997, the authorised share capital of the Company was increased to £179,550,000 by the creation of 178,200,000 Ordinary Shares of 25p each.

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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
JOHN COWLEY 16, Donovan Avenue, Muswell Hill, N10 <i>Journalist</i>	One Ordinary
ALEXANDER CAMPBELL 15, Whitehall Gardens, Acton, W3 <i>Journalist</i>	One Ordinary
WALLACE D ROOME 58, West Heath Drive, NW3 <i>Newspaper Manager</i>	One Ordinary
JAMES GEORGE LOVELL 29, Barnmead Road, Beckenham, Kent <i>Company Secretary</i>	One Ordinary
FRANK WILSON BRADING 9, Redmead Road, Harlington, Middlesex <i>Clerk</i>	One Ordinary
WALTER MEARS 57, Belmont Road, Ilford, Essex <i>Company Secretary</i>	One Ordinary
ARTHUR S FULLER 15, Amherst Road, Ealing, W <i>Journalist</i>	One Ordinary

Dated this 26th day of June, 1920

Witness to the above Signatures

WILLIAM Z PUTTOCK,
Clerk to Messrs Nicholson Graham & Jones,
24 Coleman Street,
London EC2

THE COMPANIES ACT, 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

STRADBROOK HOLDINGS LIMITED

(Adopted by Special Resolution dated 10 December 2001)

1 Preliminary and Interpretation

1 1 In these articles

"Parent Company" means a company which is the registered holder of not less than ninety percent of the issued shares of the Company,

"Table A" means Table A of The Companies (Tables A to F) Regulations 1985, as amended by The Companies (Tables A to F) (Amendment) Regulations 1985,

references to a **"regulation"** are to a regulation in Table A,

references to an **"article"** are to a provision of these articles,

references to the **"Act"** are to the Companies Act 1985 and any statutory modification or re-enactment thereof for the time being in force, and

words and phrases used in these articles shall have the meanings ascribed to them in or by virtue of Table A

1 2 The regulations contained in Table A, apart from regulations 8-22, 24- 26, 64-69, 73-80, 86, 89 and 94, apply to the Company except insofar as they are inconsistent with these articles

2 Share Capital

2 1 The present capital of the Company is divided into

- (a) 599,165,949 ordinary shares of £0 25 each, and
- (b) 119,034 051 A ordinary shares of £0 25 each (the **A Ordinary Shares**) having attached thereto the rights and being subject to the limitations and restrictions set out in this Article 2 1 below

(i) Income

- (I) Unless the Directors otherwise decide, out of the profits available for distribution, the holders of the A Ordinary Shares shall be entitled to be paid a dividend (the **Dividend**), payable in pounds sterling, determined in respect of each Dividend Period by applying the Dividend Rate to the nominal value of the A Ordinary Shares held, such Dividend to be payable on the Dividend Payment Dates
- (II) If any Dividend Payment Date is not a Business Day, then the Dividend otherwise payable on such Dividend Payment Date will be payable on the next following day that is a Business Day unless that day falls in the next

calendar month, in which case that Dividend will be payable on the first Business Day preceding the Dividend Payment Date

- (III) Dividends payable on the A Ordinary Shares shall accrue at the Dividend Rate on a daily basis and, in respect of any Dividend Period shorter than a year, will be calculated on the basis of a 365 (or if a leap year 366) day year and the actual number of days elapsed in such Dividend Period
 - (IV) Unless the Directors otherwise decide, each Dividend on the A Ordinary Shares shall ipso facto and without resolution of the Directors or of the Company in general meeting become a debt due from and immediately payable by the Company to the holders of the A Ordinary Shares registered in the books of the Company on the relevant Dividend Payment Date
 - (V) Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act or the Company is not permitted by any financing agreement to which it is a party to pay all or part of the Dividend due or the Directors otherwise decide, the Dividend shall (notwithstanding regulations 102 and 108 inclusive contained in Table A or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation of the Directors or resolution of the Company in general meeting) be paid immediately on the Dividend Payment Date and if not then paid (other than for one or more of the reasons set out in this Article 2 1) shall be a debt due by the Company
- (ii) As used in this Article 2 1, except to the extent that the context requires otherwise

Business Day means a day (excluding Saturdays) on which banks generally are open in London for the transaction of normal banking business,

Dividend Payment Date means 15 June and 15 December in each year,

Dividend Period means, in respect of any A Ordinary Shares, the period from and including the date of first issue of the A Ordinary Shares to, but excluding, the first Dividend Payment Date and each successive period from, and including, a Dividend Payment Date to, but excluding, the next Dividend Payment Date,

Dividend Rate means LIBOR plus 0.5%, and

LIBOR means, in relation to a Dividend Period, the British Bankers Association Interest Settlement Rate displayed on the appropriate page of the Reuters screen on the first day of such Dividend Period

(iii) **Capital**

On a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption or purchase by the Company of any of its shares and otherwise than on a reduction or cancellation of the Company's capital or share premium account or out of any reserve arising as a result of such reduction or cancellation) the holders of the A Ordinary Shares shall be entitled to receive the amount paid up on their shares. For this purpose distributions in currency other than sterling shall be treated as converted into sterling, and the value of any distribution in specie shall be ascertained in sterling, in each case in such manner as the directors or the Company in general meeting may approve. The A Ordinary Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company

(iv) **Voting and General Meetings**

The holders of A Ordinary Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat

(v) **Limitations**

No A Ordinary Share shall

- (I) confer any right to participate in the profits of the Company other than as set out in Article 2 1(a)(i) above, or
- (II) (save as may otherwise be agreed) confer any right to participate in any offer or invitation by way of rights or otherwise to subscribe for shares in the Company

(vi) **Variation**

The rights attached to the A Ordinary Shares shall not be deemed to be varied or abrogated pursuant to section 125 Companies Act 1985 by the creation or issue of any new shares ranking in priority to or pari passu with or subsequent to such shares or by any reduction or cancellation of the Company's capital or share premium account

3 Transfer of Shares

3 1 Notwithstanding anything contained in these Articles, the Directors shall promptly register any transfer of shares and may not suspend registration thereof where such transfer -

- 3 1 1 is to the bank or institution to which such shares have been charged by way of security, whether as agent and trustee for a group of banks or institutions or otherwise, or to any nominee or any transferee of such a bank or institution (a "**Secured Institution**"), or
- 3 1 2 is delivered to the Company for registration by a Secured Institution or is nominee in order to register the Secured Institution as legal owner of the shares, or
- 3 1 3 is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and furthermore, notwithstanding anything to the contrary contained in these Articles or in any agreement or arrangement applicable to any shares in the Company, no transferor or proposed transferor of any such shares to a Secured Institution or its nominee and no Secured Institution or its nominee (each a "**Relevant Person**"), shall be subject to, or obliged to comply with, any rights of pre-emption contained in these Articles or any such agreement or arrangement nor shall any Relevant Person be otherwise required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not No resolution shall be proposed or passed the effect of which would be to delete or amend this regulation unless not less than 45 days' written notice thereof shall have been given to any such Secured Institution by the Company and Regulation 24 shall be modified accordingly

3 2 Notwithstanding any other provision of these Articles, the Company's first and paramount lien on every share (not being a fully paid share) called or payable at a fixed time in respect of that share and the extension of that lien to all dividends payable thereon shall not apply where any such shares have been mortgaged or charged by way of security in which event such lien shall rank behind any such security

4 General Meetings

Regulation 37 is amended by replacing "a date not later than eight weeks after receipt of the requisition" with the words "a date not later than twenty-eight days after receipt of the requisition"

5 Notices of General Meetings

- 5 1 The first sentence of regulation 38 is amended by deleting "or a resolution appointing a person as a director"
- 5 2 Notices of meetings need not be given to the directors as such and regulation 38 is modified accordingly

6 Proceedings at General Meetings

- 6 1 If and so long as there is a Parent Company, its representative shall be the only person necessary to constitute a quorum at general meetings Regulation 40 is modified accordingly
- 6 2
 - (a) If and so long as there is only one member of the company, a decision taken by the member, which may be taken in general meetings, is as effective as if agreed by the company in general meeting
 - (b) A decision taken by a sole member under paragraph 6 2 (a) (unless taken by way of a written resolution) shall be recorded in writing and a copy shall be provided to the company However, failure to do so shall not affect the validity of the decision

7 Number of Directors

The minimum number of directors is one and, unless otherwise determined by ordinary resolution, the number of directors is not subject to a maximum A articles sole director may exercise all the powers and discretions given to the directors by these articles

8 Alternate Directors

Subject to his obtaining the prior approval of the Parent Company (if there is one), a director, other than an alternate director, may appoint any person to be an alternate director and may terminate the appointment An alternate director ceases to be an alternate for his appointor when his appointor ceases to be a director

9 Appointment and Retirement of Directors

- 9 1 The directors are not subject to retirement by rotation The last sentence of regulation 84 is accordingly deleted
- 9 2 Any person who is willing to act may be appointed as a director, either to fill a casual vacancy or as an additional director, by the Parent Company (if there is one) giving written notice to the company of the appointment or by a resolution of the directors The notice given by the Parent Company shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the notice

9 3 A director is not required to hold qualification shares

10 Disqualification and Removal of Directors

10 1 Regulation 81 is amended

(a) by replacing "by notice to the company" in paragraph (d) with "by notice delivered to the registered office or tendered at a meeting of the directors", and

(b) by adding at the end of the following paragraph

"(f) a written notice, signed on behalf of the Parent Company (if there is one) or, if there is no Parent Company, signed by or on behalf of the holder of shares conferring a majority of the voting rights conferred by all the shares, requiring him to resign is lodged at the registered office of the Company and such notice shall take effect when it is so lodged or such later date as may be specified in the notice "

10 2 A person is not disqualified from being a director by having attained any particular age

11 Directors' Gratuities and Pensions

Regulation 87 is amended by replacing "The directors may provide benefits" with "The directors may, with the approval of the Parent Company (if there is one), provide benefits"

12 Proceedings of Directors

12 1 The quorum for the transaction of the business of the directors is two except when there is only one director. When there is only one director, he may exercise all the powers conferred on directors by these articles

12 2 All or any of the directors or all or any of the members of any committee of the directors, may participate in a meeting of the board or of a committee of directors by means of a conference telephone or any other communication equipment which enables all persons participating in the meeting to hear and be heard by each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum. A resolution made by a majority of the said directors in pursuance of this Article shall be as valid as it would have been if made by them at an actual meeting duly convened and held

12 3 Regulation 91 is amended by replacing "The directors may appoint one of their number to be the chairman of the board of directors" with "The Parent Company (if there is one) may appoint and remove the chairman of the board of directors by notice to the company. If and so long as the position of chairman is vacant, the directors may appoint one of their number to be the chairman"

12 4 A director may vote at a meeting of the directors or of a committee on a resolution which concerns or relates to a matter in which he has, directly or indirectly, an interest but he remains obliged in any event to declare his interest in accordance with section 317 of the Act

12 5 Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him

12 6 The word "signed" in regulation 93 shall apply as if it included the words "or approved by letter or facsimile or by electronic mail"

13 Minutes

Regulation 100 is amended by replacing paragraphs (a) and (b) with "of all proceedings of general meetings and meetings of the directors"

14 The Seal

Regulation 101 of Table A is amended

- (a) by replacing "The seal shall only be used" with "If the Company has a seal, it shall be used only", and
- (b) by adding at the end the following sentence

"A document signed by a director and the secretary or by two directors and expressed to be executed by the Company has the same effect as if executed under the seal"

15 Notices

A notice required by these articles to be given by the Company may be given by any visible form on paper, including telex or facsimile or by electronic mail. A notice given by immediate transmission, is deemed to have been given at the time that it is transmitted to the person to whom it is addressed. Regulations 111 and 113 are amended accordingly

16 Indemnity

Regulation 118 is amended

- (a) by adding the words "(including any shadow directors)" after the word "director" wherever it occurs in Regulation 118
- (b) by adding after "shall be indemnified out of the assets of the company" the words "against losses and liabilities which he incurs, otherwise than as a result of his own negligence or default, in connection with the performance of his duties as such and",
- (c) by adding after "in which he is acquitted" the words "or which are otherwise disposed of without finding or admission of any material breach of duty on his part", and
- (d) by adding at the end the following sentence

"Subject to the provisions of the Act and with the approval of the Parent Company (if there is one), the directors may purchase and maintain insurance at the expense of the company for the benefit of the directors (including any shadow directors) or other officers or the auditors against liability which attaches to them or loss or expenditure which they incur in relation to anything done or omitted or alleged to have been done or omitted as directors, officers or auditors"