

No. 169249

THE COMPANIES ACTS 1908 to 1917

and

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM

and

NEW ARTICLES OF ASSOCIATION

*(Adopted by Special Resolution passed on
9th February 1989 and as amended by Special
Resolution passed on 6th February 1992)*

of

API GROUP plc

Incorporated the 23rd day of July 1920



Addleshaw Sons & Latham
Dennis House
Marsden Street
Manchester M2 1JD

THE COMPANIES ACTS 1908 TO 1917

and

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

API GROUP plc

1. THE name of the Company is* "API Group plc".
- 2.+ THE Company is to be 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:-
 - (1)** To carry on the business of a holding and investment company in all its branches and for that purpose to acquire and hold shares, stocks, debentures, debenture stocks, perpetual or otherwise, bonds, obligations and securities and the right to participate in profits and assets and other similar documents issued or guaranteed by any company, government, sovereign, ruler, commissioner, public body or authority, supreme, municipal, local or otherwise, whether in the United Kingdom or abroad and any option or rights in respect thereof.
 - (2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations, securities, rights or documents by original subscription, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to make payments thereon as called up or in advance of calls or otherwise, and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof, with power to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
 - (3) To act as managers, secretaries, directors, registrars or transfer or other agents of, or for any other person, or company, and to provide transport, technical, administrative, executive, advisory, secretarial, accounting and other supplies, staff or services (including the

* Changes of Name Since Incorporation are set out on page 10.

+ Adopted by Director's Resolution passed on 9th February, 1982.

** By Special Resolution passed on 4th March 1982 Clause 4 of the Company's Memorandum of Association was amended by the deletion therefrom of all the lettered paragraphs and the final paragraphs thereof and the substitution therefor of the new paragraphs numbered (1) to (38) inclusive and the final two paragraphs.

provision of office, factory, plant or other accommodation), to engage, employ and remunerate staff, to institute, manage and operate superannuation, insurance and other schemes and generally to perform any services or undertake any duties to or on behalf of and in any other manner to assist any person or company and either without remuneration or on such terms as to remuneration as may be agreed.

- (4) To carry on the business of co-ordinating the group of companies comprising the Company and its subsidiary or associated companies for the time being and any other company or other entity in which the Company is for the time being interested.
- (5) To employ the funds of the company in the development and expansion of the businesses of the Company and all or any of its subsidiary or associated companies for the time being and any other company or other entity in which the Company is for the time being interested and of any other company whether now existing or hereafter to be formed and engaged in any business like to, or ancillary to or which can conveniently be carried on in connection with that of the Company or of any of its subsidiary or associated companies for the time being.
- (6) To make or do or assist in making or doing such arrangements and things as may be considered desirable with a view to causing the businesses of any subsidiary or associated companies of the Company for the time being and any other company or other entity in which the Company is for the time being interested and any other company whether now existing or hereafter to be formed and

engaged in business like to, or ancillary to or which can conveniently be carried on in connection with that of the Company or any of its subsidiary or associated companies for the time being to be carried on economically and profitably and to promote the success or best interests thereof, by mutual assistance and by co-operation with one another or with the Company or by any other means, and to receive all capital moneys, dividends or other benefits to which the Company may become entitled as holder of shares or other interests of or in any such company or other entity and generally to exercise the rights, enjoy the privileges and fulfil the obligations of a member or holder of debentures or debenture stock or other securities or any other interest of or in any such company or other entity.

(7) To promote, organise, incorporate, float, reorganise, finance, and to aid and assist financially or otherwise, companies and undertakings of all kinds and for any purpose whatsoever.

(8) To carry on the business of paper mill proprietors, paper merchants, paper manufacturers, manufacturers of and dealers in wood pulp, paper pulp, and fibrous substances and such other things as may be capable of use in the manufacture of paper pulp and paper, and the business of buyers and sellers of wood pulp, paper pulp, and paper.

(9) To carry on business as converters of paper, film and aluminium foil by coating and laminating or otherwise howsoever and as manufacturers of paper, stamping foils, goldfoil, and cardboard, enamellers, printers, lithographers, publishers, relief stampers, die sinkers, designers and bookbinders, and to manufacture, import, export and deal in stationery, books, music, pictures, fancy goods and articles of household use or ornament of all kinds.

(10) To construct, erect, manufacture, develop, lay down, execute, carry out, equip, enlarge, improve, repair, alter, remove, replace, maintain, work, administer, manage, control, operate or otherwise turn to account any property of the Company and any buildings, offices, shops, structures, factories, plant, machinery, works and conveniences of all kinds, including roads, ways, piers, wharves, canals, water and power supply works, and all other works and conveniences which may seem to the Directors directly or indirectly conducive to any of the objects of the Company or of any of its subsidiary or associated companies for the time being or to arrange or contract for any such things to be done and to contribute to or subsidise the construction, erection, improvement, maintenance, management, working, control or superintendence of any of the above.

(11) To carry on any other business of any nature whatsoever which may seem to the Directors capable of being advantageously or conveniently carried on by way of extension of or in connection or conjunction with or as ancillary to any of the businesses of the Company or any of its subsidiary or associated companies, or which may seem to the Directors calculated directly or indirectly to benefit any branch of the business of the Company or any of its subsidiary or associated companies or to enhance the value of or render profitable or more profitable any of the property or rights of the Company or of any of its subsidiary or associated companies or utilise its know-how or expertise.

(12) To acquire and carry on all or any part of the business or property and assets, and to undertake any liabilities and transactions of any person or company, either in the United Kingdom or abroad, possessed of any property suitable for any of the purposes of the Company, or carrying on or proposing to carry on any business which the Company is authorised to carry on or which may seem to the Directors capable of being conveniently carried on or calculated directly or indirectly to benefit the Company.

(13) To enter into any partnership or into any arrangement for sharing profits, union of interest, joint adventure, reciprocal concessions, co-operation or other association with any person or company (including an employee of the Company) carrying on, engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in, or any business or transaction which may seem to the Directors capable of being conducted so as directly or indirectly to benefit the Company and to subsidise or otherwise assist any such person or company.

(14) To amalgamate with any other company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock or any class thereof of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.

(15) To purchase, take on lease or feu or in exchange, hire, take options over or otherwise acquire and hold for any estate or interest in any part of the world and manage and operate any buildings, rights, privileges, machinery, plant, stock in trade and any real or personal, heritable or movable property of any kind which the Directors may think suitable or convenient for any purposes of or in connection with the business of the Company or of any of

its subsidiary or associated companies for the time being or any branch or department thereof.

(16) To apply for, register, purchase or otherwise acquire for any estate or interest and protect, prolong and renew whether in the United Kingdom or elsewhere any property or assets or any protections, concessions, grants, brevets d'invention, trademarks, copyrights, designs, patents, patent rights, licences and like rights, conferring exclusive or non-exclusive or limited rights of any kind or any secret or other information as to any invention or discovery which may seem to the Directors capable of being used for any of the purposes of the Company or of any of its subsidiary or associated companies for the time being, or the acquisition of which may seem to the Directors calculated directly or indirectly to benefit the Company, and to use, exercise, develop, manufacture under, grant licences or privileges in respect of, or otherwise turn to account and deal with the same so acquired as may be thought fit and to make experiments and tests and to carry on all kinds of research and development work.

(17) To borrow and raise money and to guarantee or undertake the repayment or performance of any debt, liability, contract, guarantee, engagement or other obligation of any description incurred or to be entered into in any way by the Company or by any other person or company (including without prejudice to the generality of the foregoing any holding, subsidiary or associated company of the Company) and to secure or discharge the same in such manner and on such terms as the Directors may think fit; and in particular but without prejudice to the generality of the foregoing by mortgage or charge upon the undertaking and all or any part of the property and rights (both present and future) of the Company, including its uncalled capital, and to create, make, draw, accept, negotiate and issue at par or at a premium or discount, and for such consideration and with and subject to rights, powers, privileges and conditions as the Directors may think fit, debentures or debenture stock, whether perpetual or redeemable, and other securities, obligations or instruments of any description, and collaterally or further to secure any securities of the Company by trust deed or other assurance; and to purchase, redeem or pay off any such securities.

(18) To issue, place, underwrite, guarantee the placing of or subscription for or the payment of dividends, interest or capital (together with any premium) on shares, debentures, debenture stock and other securities or obligations of any company.

(19) To issue any securities which the Company has power to issue for any other purpose by way of security or indemnity or in satisfaction of any liability undertaken or agreed to be undertaken by the Company.

(20) To invest and deal with any moneys of the Company not immediately required for the general purposes of the Company in or upon such investments or securities or in such other manner with or without security as the Directors may from time to time think fit and to hold, sell or otherwise deal with such investments, provided always that save as permitted by law the moneys of the Company shall not be employed in the purchase of, or be lent upon the security of, its own shares.

(21) To receive money on deposit or loan either with or without interest and generally on such terms as the Directors may think fit.

(22) To draw, make, accept, sign, endorse, discount, negotiate, execute and issue, and to buy, sell and deal in promissory notes, bills of exchange and other instruments, whether negotiable or transferable or not.

(23) To lend money to, or grant or provide credit or financial accommodation to any person or company upon such terms and subject to such conditions as the Directors may deem expedient and with or without security.

(24) To sell, let, develop, dispose of or otherwise deal with the undertaking of the Company in whole or in part, or all or any part of the property and assets of the Company, upon any terms.

(25) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire and generally deal in all kinds of plant, machinery, vehicles, apparatus, tools, utensils, materials, produce, substances, articles and things of any description which in the opinion of the Directors of the Company may be conveniently dealt with by the Company or any of its subsidiary or associated companies for the time being in connection with any of its objects or the objects of any other such company or likely to be required by customers or other persons having, or about to have, dealings with the Company or any other such company.

(26) To pay out of the funds of the Company all expenses which the Company may lawfully pay of and in connection with or incidental to the promotion, formation, registration and advertising of or raising money for, and offering for sale or subscription of shares and securities in the Company and any other company formed or promoted by the Company, including brokerage, commissions and other remunerations and expenses for obtaining applications for or taking, placing or underwriting shares, debentures or debenture stock or other securities in or of the Company or any other company in which the Company may be or propose to be interested.

(27) To accept payment for any services rendered or for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any class of any company (with or without preferred or deferred or guaranteed or participating or special rights or restrictions in respect of dividend, profits or repayment of capital or otherwise) or in debentures or debenture stock, mortgages or other securities of any company or any interest in the capital, revenues or profits of any company or person or partly in one mode and partly in another and generally on such terms as the Directors may determine and to hold, dispose of, exchange or otherwise deal with any shares, stock, securities or other interests so acquired.

(28) To pay for any property or business or rights acquired or to be acquired by the Company or for services rendered or expected to be rendered to the Company in cash or by bills or notes of the Company, or by shares (to be issued as either fully paid up or partly paid up with or without preferred or deferred or guaranteed or participating or special rights or restrictions in respect of dividend, profits or repayment of capital or otherwise) of any class in the Company or by the bonds, mortgages, debentures, debenture stock, or other securities or acknowledgements of the Company, or partly in one mode and partly in another, or otherwise, and generally on such terms as may be agreed upon.

(29) To take all necessary or proper steps in Parliament or with the authorities, national, municipal, local or otherwise, of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company or for extending any of the Company's powers or for any other purpose which may seem expedient to the Directors; and to oppose any steps taken by any other company or person which may be considered likely directly or indirectly to prejudice the interests of the Company or of its members, subsidiaries or associated companies.

(30) To enter into any arrangements with any Government or authority, supreme, municipal, local or otherwise, or with other persons or companies in any part of the world which may seem to the Directors conducive to the Company's objects or any of them, and to obtain from any such Government or authority or other person or company any statute, charter, order, regulation, right, privilege, concession, licence or other authorisation or enactment which may seem to the Directors conducive to the Company's objects or any of them; and to carry out, exercise and comply with the same.

(31) To procure the registration or incorporation of the Company in any part of the world.

(32) To adopt such means of making known and advertising the business and products of the Company as may seem expedient to the Directors.

(33) To make any donations, subscriptions or other payments to any person or persons, public, trade, charitable, educational or other institutions or objects, or any association for the protection of the Company's interests or for any purpose which may be considered by the Directors likely directly or indirectly to further the interests of the Company or of its members, subsidiaries or associated companies.

(34) To support and subscribe to any charitable or public object, and to establish, support or subscribe to any institution, society, club or other establishment which in the opinion of the Directors of the Company may be for the benefit of the Directors, officers or employees of the Company, or of any company which is its holding company or a subsidiary of the Company or any such holding company of the Company or is allied to or associated with the Company or any such other company as aforesaid, or of any predecessor in business of the Company or of any such other company as aforesaid or which in the opinion of the Directors of the Company may be for the benefit or further the interests of the Company or of any such other company as aforesaid or which in the opinion of the Directors of the Company may be connected with any town or place where the Company or any such other company as aforesaid carries on business; to subsidise or assist any association of employers or employees or any trade association; to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits or charitable aid to any persons who are or have been Directors of, or who are or have been employed by or who are serving or have served the Company or any such other company as aforesaid or any predecessor in business of the Company or of any such other company as aforesaid and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit-sharing or share purchase or subscription schemes for the benefit of any of the Directors, officers or employees of the Company or (so far as for the time being permitted by law) of any such other company as aforesaid and to the extent permitted by law to give, lend or otherwise provide money to any such employees or to trustees on their behalf to enable any such profit sharing

or share purchase or subscription scheme to be established or maintained.

- (35) To effect insurances of the Company, and of all or any property of the Company against losses, casualties and risks of all kinds and also to effect in favour of the Company insurances for compensation in respect of or against liability for accidents to or acts of default towards the Company or the employees of the Company or to or towards any other persons, and that, in all cases, either by insurances effected by any company or person or by joining any association, club or federation, for mutual insurance, protection or indemnity.
- (36) ++ Insert Rider 1
- (37) ~~(36)~~ To distribute among members of the Company in specie or otherwise by way of dividend or bonus or by way of reduction of capital, all or any of the property or assets of the Company, or any proceeds of sale or other disposal of any property or assets of the Company, with and subject to any incident authorised and consent required by law.
- (38) ~~(37)~~ To carry out all or any of the foregoing objects either as principals, agents, contractors or trustees or otherwise and either by or through trustees, agents, sub-contractors, subsidiary or associated companies or otherwise and either alone or in partnership or conjunction with any other person or company, and in any part of the world.
- (39) ~~(38)~~ To do all such other things as the Directors may deem incidental or conducive to the attainment of all or any of the foregoing objects or which may be or may become expedient for profitably using any property which may belong to the Company or as agent, or factor of, or partner in or with, any other company or person.

The objects set forth in any sub-clause of this Clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the order in which they appear or by the name of the Company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

And it is hereby declared that the word "company" in this Clause save where used in reference to the Company, shall

Rider 1

To purchase, establish and maintain and or participate in or contribute to the cost of insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any other company which is its holding company or the subsidiary or subsidiary undertaking of the Company or of any such holding company, or who are or were at any time trustees of any pension fund in which any employees or former employees of the Company or of any such other companies as aforesaid are beneficiaries or otherwise interested, including insurance against any liability incurred by such persons in relation howsoever to any act or omission in the actual or purported execution and or discharge of the duties of any such person and or in the exercise or purported exercise of the powers of any such person and or otherwise in relation to the Company or any such other companies as aforesaid or such pension fund and to the extent permitted by law to indemnify or to exempt any such person from or against any such liability.

be deemed to include any partnership, corporation, firm, association, undertaking, society, syndicate or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere.

5. THE liability of the members is limited.

6. * THE capital of the Company is £900,000 divided into 900,000 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 subdivision of a share, to apportion the right to participate in profits or surplus assets, or the right to vote in any manner as between the shares resulting from such subdivision.

*By virtue of divers Resolutions the share capital of the Company was increased and on 9th February, 1989 was £7,549,000 divided into 549,000 3.85% (formerly 5 1/2%) Cumulative Preference Shares of £1 each and 28,000,000 Ordinary Shares of 25p each.

By resolution dated 17 June 1996, which became effective on 21 June 1996, the share capital of the Company was increased from £7,549,000 divided into 549,000 3.85% Cumulative Preference Shares of £1 each and 28,000,000 Ordinary Shares of 25p each, to £9,878,344 by the creation of 9,317,376 ordinary shares of 25p each.

API GROUP PUBLIC LIMITED COMPANY

Changes of Name Since Incorporation

The Company was incorporated with the name The Amalgamated Paper Mills Limited.
The name was changed:

On 28th February 1921 to The Associated Paper Mills Limited pursuant to a special resolution passed on 18th January 1921

On 10th September 1975 to Associated Paper Industries Limited pursuant to a special resolution passed on 9th September 1975

On 4th March 1982 to Associated Paper Industries Public Limited Company pursuant to a Directors Resolution passed on 9th February 1982

On 11th July 1990 to API Group Public Limited Company pursuant to a special resolution passed on 10th July 1990

Number of Company: 169249

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

ASSOCIATED PAPER INDUSTRIES plc

Passed on 9th February, 1989

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at the Royal Westminster Thistle Hotel, Buckingham Palace Road, London SW1W 0QT on 9th February, 1989 the following Resolutions were duly passed (in the case of Resolutions 1 and 3 as Special Resolutions and in the case of Resolutions 2 and 4 as Ordinary Resolutions).

RESOLUTIONS

1. That the Articles of Association contained in the printed document submitted to this meeting and, for the purpose of identification, subscribed by the Chairman hereof be approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of the Company.
2. That the directors be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities up to but not exceeding an aggregate nominal amount of £1,727,482, provided that this authority shall (unless previously revoked or varied by the Company in general meeting) expire at the conclusion of the period commencing with the date hereof and ending at the conclusion of the Annual General Meeting next following the passing of this resolution ("the period of authority") save that the Company may before the expiry of the period of authority make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and that all previous authorities granted to the directors pursuant to section 80 of the Act (or the statutory provisions of which it is a re-enactment) be and are hereby revoked. Words and expressions defined in or for the purposes of the Act shall bear the same meaning in this resolution.

3. Subject to the passing of the preceding resolution, the Directors be and are hereby empowered pursuant to section 95 of the Companies Act 1985 ("the Act") to allot equity securities for cash pursuant to the general authority conferred upon them under that resolution as if section 89(1) of the Act did not apply to any such allotment and so that the power conferred by this resolution shall enable the Company to make any offer or agreement before the expiry of the period commencing with the date hereof and ending at the conclusion of the Annual General Meeting next following the passing of this resolution which would or might require equity securities to be allotted after the expiry of such period and so that notwithstanding such expiry the directors may allot equity securities in pursuance of any such offer or agreement previously made by the Company as if the power conferred hereby had not expired provided however that the power conferred hereby shall:

(a) be limited

- (i) to the allotment of equity securities in connection with or pursuant to any arrangement whereby the holders of ordinary shares at a record date or dates adopted for the purposes of the arrangement are entitled to acquire any shares of the Company issued for cash pursuant to such arrangement, in the proportion (as nearly as may be) to such holders' holdings of ordinary shares (or, as appropriate, to the numbers of such shares which such holders are for the purpose deemed to hold) subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under or resulting from the application or apparent application of the laws of any territory or the requirements of any recognised regulatory body or stock exchange in any territory; and
- (ii) to the allotment of equity securities pursuant to an offer to the holders of ordinary shares to elect to receive additional shares in lieu of a cash dividend; and
- (iii) to the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of equity securities having, in the case of relevant shares, an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having an aggregate nominal value not exceeding £263,030; and

- (b) expire at the conclusion of the Annual General Meeting of the Company next following the passing of this resolution except to the extent that the same is renewed or extended on or before that date.

Words and expressions defined in or for the purpose of the Act shall bear the same meaning in this resolution.

4. That, subject to the approval of the Board of Inland Revenue, the Directors be and are hereby authorised to make the amendment to the executive share option scheme adopted by the Company on 8th February, 1983 which amendment is referred to in the Chairman's letter to shareholders dated 6th January, 1989.

C.F.M. RAWLINSON

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CHAIRMAN

ARTICLES OF ASSOCIATION

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THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION

of

ASSOCIATED PAPER INDUSTRIES plc

(Adopted by Special Resolution
passed on 9th February 1989)

(And as amended by Special Resolution passed on 6th February 1992)

PRELIMINARY

1. THE regulations contained in Table A in the First Schedule to the Companies (Consolidation) Act 1908 and to the Companies Act 1948 as amended shall not apply to the Company and the regulations contained in Table A as prescribed pursuant to Section 8 of the 1985 Act shall not apply to the Company except so far as repeated or contained in these Articles.

2. IN these Articles unless inconsistent with the subject or context:

(a) The words in the first column of the table below bear the meanings set opposite to them respectively in the second column thereof:-

<u>WORDS</u>	<u>MEANINGS</u>
the 1985 Act	the Companies Act 1985.
the Statutes	the 1985 Act together with every other statute for the time being in force concerning bodies corporate and affecting the Company.
these Articles	the Articles of Association for the time being of the Company.
the Auditors	the Auditors for the time being of the Company.
clear days	in relation to the period of a notice, that period excluding the day when the

	notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
the Common Seal	the common seal of the Company.
the Directors	the Directors for the time being of the Company.
dividend	dividend or bonus.
executed	any mode of execution of a document.
the Office	the registered office for the time being of the Company.
paid up	paid up or credited as paid up.
the Register	the register of members to be kept pursuant to Section 352 of the 1985 Act.
the Securities Seal	the official seal of the Company permitted by Section 40 of the 1985 Act.
Stock Exchange Nominee	a person for the time being designated as a nominee of The Stock Exchange for the purposes of Section 185 of the 1985 Act.
the Transfer Office	the place where for the time being the Register is kept.
the United Kingdom	Great Britain and Northern Ireland.
in Writing	Written, typewritten, printed, lithographed, photographed or visibly expressed in all or any of these or other modes of representing or reproducing words in a legible and non-transitory form.
Employees' Share Scheme	A scheme for encouraging or facilitating facilitating the holding of shares or debentures in the Company by or for the benefit of (i) the bona fide employees or former employees of the Company, the Company's subsidiary or holding company or a subsidiary of the Company's holding company, or (ii) the wives, husbands, widows, widowers or, if under the age of eighteen years, the children or step-children of such employees or former employees.
Relevant Securities	Shares in the Company other than Subscribers' Shares or shares allotted

in pursuance of an Employees' Share Scheme, and any right to subscribe for or to convert any security into shares in the Company other than shares so allotted.

Subscribers' Shares Shares shown in the Memorandum of Association of the Company to have been taken up by the subscribers thereto.

(b) References to the allotment of Relevant Securities include references to the grant of a right to subscribe for, or to convert any securities into, Relevant Securities but subject to Section 80(6) of the 1985 Act shall not include references to the allotment of any shares pursuant to such a right.

(c) The expression "Secretary" means the Secretary for the time being and includes any other person appointed by the Directors to perform any of the duties of the Secretary.

(d) Words importing the singular include the plural, and vice versa.

(e) Words importing the masculine include the feminine, and vice versa.

(f) Words importing persons include corporations.

(g) References to any statute (or to any provisions of any statute) shall be construed as references to any such statute (or to the provisions of any such statute) for the time being in force including any statutory modification or re-enactment thereof.

(h) Subject as aforesaid, words and expressions contained in these Articles bear the same meaning as in the Statutes but excluding any statutory modification thereof not in force at the date of the adoption of this Article.

BUSINESS

3. ANY branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors on behalf of the Company at such time or times as they shall think fit, and further, may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

CAPITAL

4. ** THE authorised share capital of the Company at the date of the adoption of this Article is £7,549,000 divided into 549,000 3.85% (formerly 5 1/2%) Cumulative Preference Shares of £1 each and 28,000,000 Ordinary Shares of 25p each. The Preference Shares confer on the holders thereof the right to receive in priority to all other shares in the capital of the Company out of the profits of the Company which it shall be determined to distribute a cumulative preferential dividend at the rate of 3.85% (formerly 5 1/2%) per annum on the capital for the time being paid up thereon and the right on a return of assets whether in a winding up or a reduction of capital or otherwise in priority to all other shares in the capital of the Company to a return of the nominal amount of the capital paid up thereon together with

(a) a premium in respect of each such share equal to the amount by which the average of the respective means of the daily nominal quotation of the said Preference Shares on The Stock Exchange, London, during the six months preceding the date of the notice of the meeting at which the resolution for such winding up or reduction of capital is passed exceeds the nominal amount paid up on such share (such average to be calculated and certified by the Auditors for the time being of the Company); and

(b) the payment of all arrears and accruals of the said cumulative preferential dividend calculated in the case of a winding up to the date of the commencement of the winding up (and whether earned or declared or not) and in any other case to the date of the repayment of capital.

In the event of a repayment of capital involving the payment of a part only of the amount paid up on the Preference Shares a part only of the said premium proportionate to the amount of capital to be repaid on each of such shares shall become payable.

The Preference Shares shall not confer any further right to participate in profits or assets.

5. WITHOUT prejudice to any special rights for the time being conferred on the holders of any shares or class of shares (which special rights shall not be varied, except with such consent or sanction as is provided by the next following Article) any share in the Company may be allotted with such preferred, deferred, qualified or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by Ordinary Resolution at the time of creation of such shares, or in default the Directors, may determine provided that no new shares entitled to rank pari passu with or to any preference over the Preference Shares of the Company shall be issued without the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of such shares. Subject to the provisions of the 1985 Act, any share may be issued on the terms that it is, or at the

** By resolution passed on 17 June 1996 which became effective on 21 June 1996 the authorised share capital of the Company was increased from £7,549,000 to £9,878,344 by the creation of 9,317,376 ordinary shares of 25p in the Company

option of the Company is to be liable, to be redeemed on such terms and in such manner as the Company by Special Resolution may prescribe.

MODIFICATION OF RIGHTS

6. SUBJECT to the Statutes, all or any of the special rights, privileges or conditions for the time being attached or belonging to any class of shares forming part of the capital of the Company (and notwithstanding that the Company may be or be about to be in liquidation) may from time to time (unless otherwise provided by the terms of issue of the shares of the class) be affected, modified, dealt with or abrogated in any manner with the consent in writing of the holders of not less than three-fourths in nominal value 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 that class but not otherwise. To any such separate meeting all the provisions of these Articles as to General Meetings (including the obligation to notify members as to their right to appoint proxies) shall apply mutatis mutandis, but so that:

(a) the necessary quorum at any such meeting other than an adjourned meeting shall be two members holding between them at least one-third in nominal value of the issued shares of the class in question present in person or by proxy and at an adjourned meeting one person holding shares of the class in question or his proxy; and

(b) each of the holders of shares of the class in question present in person or by proxy may demand a poll and on a poll shall have one vote in respect of every share of the class in question held by him.

The rights or privileges attached to any class of shares shall not, unless otherwise expressly provided by the conditions of issue of the shares, be deemed to be affected as aforesaid by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

7. ANY class of shares issued without the right to vote at general meetings of the Company attached thereto shall include the words "non-voting" in the name by which the same are designated, and if classes of shares are issued with different voting rights attached thereto the names by which such classes are designated (other than the class with the most favourable voting rights attached thereto) shall include the words "limited voting".

INCREASES, REDUCTIONS AND ALTERATIONS OF CAPITAL

8. THE Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

9. EXCEPT so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, all new shares shall be subject to the same provisions of these Articles with reference to payment of calls, transfer, transmission, forfeiture, lien and otherwise as the existing capital and shall be deemed to form part of the Company's original capital.

10. SUBJECT to such sanction of the Court as may be required by the Statutes the Company may from time to time by Special Resolution reduce its share capital, any capital redemption reserve and any share premium account in any way. The Company may from time to time by Ordinary Resolution cancel any shares at the date of the passing of the Resolution not taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of the shares so cancelled.

11. THE Company may from time to time by Ordinary Resolution:-

(a) consolidate and divide all or any of its share capital into shares of larger or smaller amount than its existing shares; or

(b) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by its Memorandum of Association subject nevertheless to the provisions of Section 121(3) of the 1985 Act, and so that as between the holders of the resulting shares one or more of such shares may by the resolution by which the sub-division is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares.

12. ANYTHING done in pursuance of either of the last two preceding Articles shall be done in manner provided and subject to any conditions imposed by the Statutes, so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same, and, so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient.

13. WHENEVER as the result of any consolidation of shares members are entitled to any fractions of shares of the Company, subject to any direction contained in the resolution authorising the same, the Directors may deal with such fractions in any manner they may think fit, and in particular, may sell all or any of the shares representing such fractions and shall at their absolute discretion either distribute the net proceeds thereof amongst the members entitled to such fractions in due proportions, or utilise the same in the payment of the costs incurred by the Company in such consolidation or may deal with the same partly in one way and partly in another. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the

holder of the shares comprised in any such transfer 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 relating to the transfer.

SHARES

14. SUBJECT to the Statutes

(1) the Company shall have power to allot, grant options over, or otherwise deal with or dispose of the unissued shares in its capital to such persons for such consideration and generally upon such terms and conditions and at such times as may be determined PROVIDED THAT:-

(a) no share shall be allotted at a discount;

(b) no share shall be allotted otherwise than as paid up at least as to one quarter of the nominal value of the share and the whole of any premium on it, unless allotted in pursuance of an Employees' Share Scheme;

(c) no share shall be allotted otherwise than in conformity with the next following Article.

(2) The Company shall have power to issue warrants to subscribe for shares in registered or bearer form upon such terms and conditions as the Board may determine provided that in the case of warrants in bearer form no new warrant shall be issued to replace one which has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed.

15. SUBJECT to the provisions of these Articles the Company shall be entitled to allot shares as fully or partly paid up (as to their nominal value or any premium payable on them) otherwise than in cash PROVIDED THAT:-

(a) the Company shall not accept at any time in payment up of its shares or any premiums on them an undertaking given by any person that he or another should do work or perform services for the Company or any other person;

(b) shares shall not be so allotted if the consideration for the allotment is or includes an undertaking which is to be or may be performed more than five years from the date of the allotment; and

(c) in any case where sub-section (1) of Section 103 of the 1985 Act shall apply the consideration for the allotment shall before the allotment be valued and a report with respect to the value of such consideration shall be made to the Company in accordance with the

provisions of Sections 103 and 108 to 111 (inclusive) of the 1985 Act.

16. THE Company may exercise the powers conferred by the Statutes of paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing to do so whether absolutely or conditionally, such commissions not to exceed 10 per cent. of the price at which the shares are issued or an amount equivalent thereto. Any such commissions may be paid in cash or in fully paid shares of the Company, or partly in one way and partly in the other, as may be arranged. The Company may also on any issue of shares pay such brokerage as may be lawful.

17. SUBJECT to such consent or sanction on the part of the holders of any class of convertible shares of the Company from time to time and for the time being in issue (being shares convertible into ordinary shares of the Company) as would be required for a variation of the special rights attached to such shares the Company may at any time and from time to time exercise any powers conferred by the Statutes of purchasing its own shares.

18. (1) SAVE as specified in this Article all the powers of the Company under Article 14 shall be exercised by the Directors, and the unissued shares in the capital of the Company shall be at the disposal of the Directors.

(2) This Article shall not apply in the case of any allotment of Relevant Securities which for the time being the Directors are not authorised to make by any authority duly given for the purposes of Section 80 of the 1985 Act.

19. NO person shall be recognised by the Company as holding any share upon trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles otherwise expressly provided or as by the Statutes required or under an order of court) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

20. EVERY share certificate (other than letters of allotment and other like documents) shall be issued under the Common Seal or the Securities Seal (or, in the case of shares on an overseas branch register, a seal for use in the relevant territory) and shall in every case specify the number and class of shares to which it relates and the amount paid up thereon.

21. SUBJECT to the provisions of the next following Article every person whose name is entered as a holder of any share in the Register (except a Stock Exchange Nominee in respect of

whom the Company is not by law or by such nominee required to complete and have ready for delivery a certificate) shall be entitled:-

(a) without payment to one certificate for all the shares of any one class registered in his name, or in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares so registered; and where a Member transfers part of his holding of shares he shall be entitled without payment to a certificate for the balance of his holding;

(b) upon payment of the out-of-pocket expenses of the Company in providing the same, to several certificates, each for one or more of his shares of any class.

Any certificates to which a person is entitled hereunder shall be delivered (i) in the case of issue within one month after allotment (or such longer period as the terms of issue shall provide) or (ii) in the case of a transfer of fully paid shares within fourteen days after the lodgment with the Company of the relevant instrument of transfer of the shares, and (iii) in the case of a transfer of partly paid shares within two months after lodgment with the Company of the relevant instrument of transfer.

22. THE Company shall not be bound to register more than four persons as the joint holders of any share or shares and in the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor, and delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

23. CERTIFICATES may be delivered either by handing the same personally or by despatching the same to the holder (or, in the case of joint holders, to the first named in the Register) or to the agents of the holder, and any certificates so despatched shall be sent at the risk of the holder.

24. IF any certificate is worn out, defaced or alleged to be stolen, lost or destroyed, the Company may issue a new certificate to replace it upon the request of the holder of the shares to which it relates (or, in the case of joint holders, of such of the holders as the Directors in their absolute discretion shall require), without charge but subject to delivery up of the old certificate or, if it is alleged to be stolen, lost or destroyed, subject to compliance with such conditions (if any) as to evidence and indemnity (with or without security) and to payment of the exceptional out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Directors may think fit.

TRANSFER OF SHARES

** see note - rider 5

25. SUBJECT to the restrictions contained in these Articles, any member may transfer all or any of his shares by instrument of transfer complying with these Articles or permitted by the Statutes, but shall be deemed to remain the holder of the shares transferred until the name of the transferee is entered in the Register in respect thereof.

26. THE instrument of transfer of any share must be in writing and in any usual or common form or such other form as the Directors may from time to time approve, and must be executed by or on behalf of the transferor (and, in the case of a transfer of a partly paid share, by the transferee), but need not be under seal (except in the case of a transfer by a corporation, in which case the instrument of transfer must be under seal unless the Directors in their absolute discretion decide to recognise a transfer under hand by a person duly authorised to sign on behalf of the corporation). Every instrument of transfer to be registered must be left duly stamped at the Transfer Office or such other place as the Directors may from time to time appoint and, when registered, may be retained by the Company.

27. THE Directors may, at their absolute discretion and without assigning any reason therefor, refuse to register:

(a) the transfer of any share (not being a fully paid share) to any person whom they shall not approve as transferee, and

(b) the transfer of any share on which the Company has a lien.

28. THE Directors may decline to register a transfer unless:

(a) the instrument of transfer in an approved form duly completed and stamped is lodged at the Transfer Office, or at such other place as the Directors may have appointed, and (except in the case of a transfer executed by a Stock Exchange Nominee in respect of shares for which no certificate is in issue by virtue of Article 21) is accompanied by the certificate for the shares to which it relates with such other evidence as the Directors may require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of shares; and

(c) the instrument of transfer is in favour of not more than four persons as the transferee.

29. IF the Directors refuse to register a transfer of any share they shall:

Rider 5

**** Note** - The attached Board resolutions, dated 29 April 1996, provide, in accordance with the Uncertificated Securities Regulations 1995 ("**the Regulations**") that title to both Ordinary Shares and 3.85% Cumulative Preference Shares in the Company in issue and to be issued may be transferred by means of a relevant system (as defined in the Regulations) of which CRESTCo Limited is to be the Operator (also as defined in the Regulations). The respective Board resolutions relating to the Ordinary Shares and the 3.85% Cumulative Preference Shares being so transferred will only become effective immediately prior to CRESTCo Limited granting permission for the Ordinary Shares and 3.85% Cumulative Preference Shares to be transferred by means of the CREST system (which is anticipated to occur during January 1997).

In accordance with the Regulations, and as provided in the attached resolutions, a notice of the passing of the Board resolutions relating to the transfer of title to the Ordinary Shares and the 3.85% Cumulative Preference Shares was contained in the circular to shareholders dated 23 May 1996. An explanatory leaflet entitled "CREST - what it means for you, THE PRIVATE SHAREHOLDER" was sent to private shareholders with this circular.

Signaling

API GROUP PLC

Minutes of the Meeting of the Board of Directors held at the premises of Henry & Leigh Slater Limited, Second Avenue, Poynton Industrial Estate, Poynton, Stockport, Cheshire SK12 1ND on Monday 29 April 1996 at 11.30am

PRESENT: Mr J M Woolley (in the Chair)
Mr M J Smith
Mr D J Holt
Mr J N Sheldrick

APOLOGIES: Mr J F Adey

IN ATTENDANCE: Mr T K Johnston (Secretary)

7945 - CREST

The Board considered the paper produced by Mr Johnston dated 23 April 1996 and Mr Johnston made a short presentation on CREST and how it related to the Company and the formalities required. In particular, he confirmed that a Board resolution would be required in respect of both the ordinary and the preference shares in order to effect the necessary changes to the Company Articles of Association. Following the passing of those resolutions it would be necessary to give formal notification to shareholders (which could accompany the interim report). The company's shares were expected to be admitted to CREST in January 1997 with a reserve date in March 1997.

CREST - Ordinary Shares

- (a) Pursuant to Regulation 16(2) of the Uncertificated Securities Regulations 1995 ("the Regulations"). IT WAS RESOLVED that:
 - (i) title to the ordinary shares of 25p each in the capital of the Company ("the Ordinary Shares"), in issue or to be issued, may be transferred by means of a relevant system (as defined in the Regulations);

- (ii) such relevant system shall include the relevant system of which CRESTCo Limited is to be the Operator (as defined in the Regulations);
 - (iii) the Ordinary Shares shall not include any shares referred to in Regulation 17; and
 - (iv) this resolution ("**the Ordinary Share Resolution**") shall become effective immediately prior to CRESTCo Limited granting permission for the Ordinary Shares to be transferred by means of the CREST system.
- (b) It was noted that, upon the Ordinary Share Resolution becoming effective in accordance with its terms, and for as long as it is in force, the Articles of Association of the Company in relation to the Ordinary Shares will not apply to any uncertified Ordinary Shares to the extent that they are inconsistent with:
- (i) the holds of any Ordinary Shares in uncertificated form;
 - (ii) the transfer of title to any Ordinary Shares by means of the CREST System; and
 - (iii) any provision of the Regulations.
- (c) IT WAS RESOLVED that a copy of the Ordinary Share Resolution be forwarded to the Registrar of Companies within 15 days of its passing, as required by section 380 of the Companies Act 1985 (as amended by Regulation 40(3) of the Regulations.

CREST - Preference Shares

- (a) Pursuant to Regulation 16(2) of the Uncertificated Securities Regulations 1995 ("**the Regulations**"). IT WAS RESOLVED that:
- (i) title to the cumulative preference shares of £1 each in the capital of the Company ("**the Preference Shares**"), in issue or to be issued, may be transferred by means of a relevant system (as defined in the Regulations);
 - (ii) CRESTCo Limited is to be the Operator (as defined in the Regulations);
 - (iii) the Preference Shares shall not include any shares referred to in Regulation 17; and

- (iv) this resolution ("the Preference Share Resolution") shall become effective immediately prior to CRESTCo Limited granting permission for the Preference Shares to be transferred by means of the CREST system.
- (b) It was noted that, upon the Preference Share Resolution becoming effective in accordance with its terms, and for as long as it is in force, the Articles of Association of the Company in relation to the Preference Shares will not apply to any uncertified Preference Shares to the extent that they are inconsistent with:
 - (i) the holdings of any Preference Shares in uncertificated form;
 - (ii) the transfer of title to any Preference Shares by means of the CREST System; and
 - (iii) any provision of the Regulations.
- (c) IT WAS RESOLVED that a copy of the Preference Share Resolution be forwarded to the Registrar of Companies within 15 days of its passing, as required by Section 280 of the Companies Act 1985 (as amended by Regulation 40(3) of the Regulations).

Action:
Mr T K
Johnston

CREST - notification to shareholders

There was produced to the meeting a notice of the passing of the Ordinary Share Resolution and the Preference Shares Resolution ("the Notice"). IT WAS RESOLVED THAT the notice be approved and sent to every member of the Company in accordance with the Company's Articles of Association within 60 days of the passing of the Ordinary Share Resolution and the Preference Share Resolution (as required by Regulation 16(4) of the Regulations) but subject to such changes and amendments as may be approved by a committee comprising Mr Smith and Mr Holt. IT WAS FURTHER RESOLVED that private shareholders should receive, with the notice, a copy of the leaflet produced by CRESTco entitled "CREST - what it means for you THE PRIVATE SHAREHOLDER"

(a) within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal;

(b) (except in any case of actual or suspected fraud) return the instrument of transfer to the person lodging the same.

30. THE registration of transfers of shares or of any class of shares or of any other class of security in the share capital of the Company may be suspended and the Register may be closed at such times (if any) and for such periods as the Directors may from time to time determine PROVIDED THAT such registration shall not be suspended and the Register shall not be closed for more than thirty days in any year.

31. THE Directors shall be entitled to recognise and to give effect to a renunciation of the allotment of any share by the allottee in favour of some other person before any person has been entered in the Register as the holder of such share.

32. NO fee shall be charged on the registration of a transfer or on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, stop notice, or other document relating to or affecting the title to any share.

TRANSMISSION OF SHARES

33. 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 shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

34. ANY person becoming entitled by transmission to a share may, upon producing such evidence of title as the Directors shall require, and subject as hereinafter provided, either be registered himself as holder of the share, or elect to have some person nominated by him registered as the transferee thereof.

35. IF the person so becoming entitled shall elect to be registered himself he shall deliver or send to the Transfer Office or such other place as the Directors may appoint, a notice in writing signed by him and stating that he so elects. For all purposes of these Articles relating to the right to transfer and the registration of transfers of shares, such notice shall be deemed to be a transfer, and the Directors shall have the same power of refusing to give effect thereto by registration as if the event upon which the transmission took place had not occurred and the notice were a transfer executed by the person from whom the title by transmission is derived.

36. IF the person so becoming entitled shall elect to have another person registered, he shall testify his election by executing to such person a transfer of such share. The Directors shall have, in respect of any transfers so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.

37. SUBJECT to the next following Article, a person entitled by transmission to a share shall be entitled (upon such evidence being produced as may from time to time be required by the Directors as to his entitlement) to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to receive notice of, or to attend or vote at, meetings of the Company or to exercise any right conferred by membership in relation to meetings of the Company.

38. THE Directors may at any time give notice requiring any person becoming entitled by transmission to a share to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty days, the Directors may thereafter withhold payment of all dividends and other moneys payable in respect of the share (but any such action shall not constitute the Company as trustee in respect of any such dividends or other moneys) and suspend any other advantages to which such person would otherwise be entitled in respect of the share until the requirements of the notice have been complied with.

CALLS ON SHARES

39. THE Directors may, subject to these Articles and to any conditions of allotment, from time to time make such calls upon the members and persons entitled to shares by transmission in respect of all moneys unpaid on their shares as they think fit PROVIDED THAT fourteen days' notice at least is given of each call, and each such person shall be liable to pay the amount of every call so made upon him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments. A call shall be deemed to have been made as soon as the resolution of the Directors authorising such call shall have been passed. A call may in whole or in part be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of shares in respect whereof the call was made.

40. THE joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

41. IF before or on the day appointed for payment thereof a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such

amount at such rate (not exceeding 10 per cent. per annum) as the Directors shall determine from the day appointed for payment thereof to the time of actual payment, but the Directors shall have power to remit such interest or any part thereof.

42. ANY sum which by the terms of issue of a share is made payable upon allotment or at any fixed date (whether on account of the nominal amount of the share or by way of premium) and any instalment of a call shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other the relevant provisions of the Statutes, or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

43. THE Directors may from time to time make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.

44. THE Directors may, if they think fit, receive from any person holding or by transmission becoming entitled to any shares willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon all or any of the moneys so advanced the Directors may (until the same would, but for such advance, become presently payable) pay or allow such interest (not exceeding, without the consent of a General Meeting, 10 per cent. per annum) as may be agreed upon between them and such person, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. No sum paid up in advance of calls shall entitle the holder of a share in respect thereof to any portion of a dividend subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

45. UNLESS the Directors decide otherwise, no person holding (or by transmission becoming entitled to) any share shall be entitled to receive any dividend and no shareholder shall be entitled to be present or vote at any meeting or upon a poll, or to exercise any privilege as a member, until he shall have paid all calls for the time being due and payable on every share held by him (or to which he is entitled by transmission), whether alone or jointly with any other person, together with interest and expenses (if any).

FORFEITURE OF SHARES

46. IF any member or person entitled by transmission fails to pay the whole or any part of any call on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call, or any part thereof, remains unpaid serve a notice on him requiring him to

pay such call, or such part thereof as remains unpaid, together with any accrued interest and any expenses incurred by the Company by reason of such non-payment.

47. THE notice shall name a further day on or before which such call, or such part thereof as aforesaid, and all such interest and expenses as aforesaid, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.

48. 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, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. The Directors may accept the surrender of a share liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.

49. A FORFEITURE of shares under the preceding Articles shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

50. WHEN any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of or the person entitled by transmission to the share, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

51. EVERY share upon being forfeited shall thereupon become the property of the Company and within the period of three years from the forfeiture may be sold, re-allotted (subject to the provisions of these Articles) or otherwise disposed of, either to the person who was before the forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit including the pardon of the whole or any part of the interest made payable by the next following Article, and at any time before such a sale, re-allotment or disposition the forfeiture may be annulled or cancelled on such terms and conditions as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited share to any other person as aforesaid. If within such period of three years the share has not been sold, re-allotted or otherwise disposed of, the Directors shall at the end of such period of three years cancel the share and shall diminish the amount of the authorised and issued share capital by the nominal amount of the share so cancelled and shall comply with all the provisions of Part V of the 1985 Act so far as the same may apply.

52. THE holder of or the person entitled by transmission to a share which has been forfeited shall cease to be a member or person entitled in respect of such share and shall surrender to the Company for cancellation the certificate for the share forfeited but shall notwithstanding the forfeiture be liable to pay to the Company all calls made and not paid on such share at the time of forfeiture, with interest thereon to the date of payment at such rate, not exceeding 10 per cent. per annum, as the Directors shall think fit, in the same manner in all respects as if the share had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the share at the time of forfeiture without any deduction or allowance for the value of the share at the time of forfeiture or for any consideration received on its disposal.

53. THE forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the person whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

54. A STATUTORY declaration in writing that the declarant is a Director or Secretary of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the time and date when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated, and such declaration, together with a certificate for the share under the Common Seal or under the Securities Seal delivered to the person to whom the same is sold, re-allotted or otherwise disposed of, shall (subject to the execution of any necessary transfer) constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such sale, re-allotment or disposal and shall not be bound to see to the application of the purchase money, if any, nor be bound to see to the regularity or validity of, nor shall his title to the share be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

LIEN ON SHARES

55. THE Company shall have a first and paramount lien on every share (not being a fully paid up share) registered in the name of any person (whether singly or jointly with any other person or persons) for all amounts due (whether actually or contingently and whether presently payable or not) to the Company in respect of that share, whether before or after notice to the Company of any equitable or other interest of any person other than such holder, and notwithstanding that the same are joint debts or liabilities of such holder or his estate and any other person whether a member of the Company or not. The

Directors may, however, at any time declare any share to be exempt, wholly or partially, from the provisions of this Article. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon or in respect thereof.

56. FOR the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until a notice in writing stating the amount presently due and demanding payment, and giving notice of intention to sell in default, shall have been served in such manner as the Directors shall think fit on such member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him for seven days after such notice.

57. THE net proceeds of any such sale (after payment of all costs and expenses of sale) shall be applied in or towards satisfaction of the amount presently due, and the residue (if any) shall (upon surrender to the Company for cancellation of the certificate for the shares sold) be paid to the member or the person (if any) entitled by transmission to the shares PROVIDED ALWAYS that the Company shall be entitled to a lien upon such residue in respect of any amounts due to the Company in respect of the shares but not presently payable like to that which it had upon the shares immediately before the sale thereof.

58. UPON any such sale as aforesaid, the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the name of the purchaser in the Register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor be bound to see to the regularity or validity of, nor shall his title to the shares be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the sale or transfer of the shares, and after his name has been entered in the Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

CONVERSION OF SHARES INTO STOCK

59. THE Company may, from time to time, by Ordinary Resolution, convert all or any of its paid up shares into stock and may from time to time, in like manner, reconvert any such stock into paid up shares of any denomination.

60. WHEN any shares have been converted into stock the several holders of such stock may transfer their respective interests therein, or any part of such interest, in such manner as the Company in General Meeting shall direct, but in default of any such direction in the same manner and subject to the same regulations as and subject to which the shares from which

the stock arose might previously to conversion have been transferred, or as near thereto as circumstances will admit. But the Company in General Meeting, or failing a resolution of a General Meeting the Directors, may from time to time fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum PROVIDED THAT the minimum shall not exceed the nominal amount of the shares from which the stock arose, and may prescribe that the stock is to be divided and transferable in units of corresponding amount.

61. THE several holders of stock shall be entitled to participate in the dividends, profits and assets of the Company according to the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as if they held the shares from which the stock arose, but so that none of such privileges or advantages, except the participation in the dividends, profits and assets of the Company, shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privileges or advantages.

62. ALL such provisions of these Articles as are applicable to paid-up shares shall apply to stock, and in all such provisions the words "share" and "shareholder" shall include "stock" and "stockholder".

GENERAL MEETINGS

63. (1) THE Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other General Meeting in that year, and shall specify it as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

(2) All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

64. THE Directors may call an Extraordinary General Meeting whenever they think fit, and Extraordinary General Meetings shall also be convened forthwith on such requisition, or in default may be convened by such requisitionists, as provided by the Statutes. Whenever the Directors shall convene an Extraordinary General Meeting on the requisition of members, it shall convene such meeting for a date not more than six weeks after the date when the requisition is deposited at the Office (unless the requisitionists shall consent in writing to a later date being fixed). If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or, if there is no Director within the United Kingdom, any two members of the Company, may convene an Extraordinary General Meeting in the same manner as nearly

as possible as that in which meetings may be convened by the Directors.

65. TWENTY-ONE clear days' notice in writing at the least of every meeting convened for the purpose of passing a Special Resolution and of every Annual General Meeting and fourteen clear days' notice in writing at the least of every other General Meeting, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such persons, including the Auditors, as are under the provisions hereinafter contained or under the Statutes entitled to receive notices from the Company; but the accidental omission to give such notice to or the non-receipt of such notice by any person entitled to receive the same shall not invalidate any resolution passed or proceeding had at any such meeting. Every notice of a General Meeting shall comply with any requirements of the Statutes as regards the notification to members of their rights as to the appointment of proxies.

66. A GENERAL Meeting shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed by such number of members entitled or having a right to attend and vote thereat as is prescribed by the Statutes.

67. A DIRECTOR shall be entitled to receive notice of and to attend and speak at all General Meetings of the Company and at all separate General Meetings of the holders of any class of shares in the capital of the Company.

PROCEEDINGS AT GENERAL MEETINGS

68. THE ordinary business of the Annual General Meeting shall be

- (a) to sanction or declare dividends;
- (b) to consider the documents required by the Statutes to be comprised in the accounts of the Company;
- (c) to re-appoint or appoint Directors in the place of those retiring by rotation or ceasing to hold office by virtue of Article 97;
- (d) to re-appoint retiring Auditors (other than auditors last appointed otherwise than by the Company in general meeting); and
- (e) to fix, or to fix the manner of determining, the remuneration of the Auditors.

All other business transacted at an Annual General Meeting, and all business transacted at an Extraordinary General Meeting, shall be deemed to be special.

69. NO business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as in these Articles otherwise provided three persons entitled to vote at the meeting each being a member shall be a quorum for all purposes.

70. IF within half an hour after the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, (unless such day shall be a public holiday when it shall stand adjourned to the next working day following such holiday) 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 after the time appointed for holding the meeting the member or members (whatever their number) present in person or by proxy and entitled to vote at the meeting shall be a quorum.

71. THE Chairman (if any), failing whom the Deputy Chairman (if any), of the Board of Directors shall preside at every General Meeting, but if there be no such Chairman or Deputy Chairman, or if at any meeting neither shall be present within fifteen minutes after the time appointed for holding the same, or shall be present but unwilling to act as Chairman of the meeting, the Directors present shall choose one Director, or if no Director be present, or if all the Directors present decline to take the chair, the members present shall choose one of themselves, to be Chairman of the meeting.

72. THE Chairman of the meeting 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, as the meeting shall determine, and if it appears to the chairman of the meeting that it is likely to be impracticable to hold or continue the meeting because of the numbers of members or their proxies present or wishing to attend, he may adjourn the meeting to another time and place without the need for such consent, but so that no adjournment of a meeting or adjourned meeting shall be for a period exceeding twenty-eight days from the date of the meeting or the last adjournment thereof as the case may be. Whenever a meeting is adjourned for fourteen days or more, seven clear days' notice at the least of the adjourned meeting, specifying the place and time of the meeting, shall be given as in the case of an original meeting, 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, the members shall not be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

73. IF an amendment be proposed to any motion under consideration but shall in good faith be ruled out of order by the Chairman of the meeting the subsequent proceedings on the motion shall not be invalidated by any error in such ruling. In the case of a resolution proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a manifest error in the notice relating thereto) may in any event be considered or voted upon.

74. 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 either:

- (a) by the Chairman of the meeting;
- (b) by at least five members having the right to attend and vote at the meeting;
- (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 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.

Unless a poll is so demanded, (and the demand is not withdrawn) a declaration by the Chairman of the meeting 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 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. A demand for a poll may be withdrawn and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is so withdrawn, the meeting shall continue as if the demand had not been made. If a demand is withdrawn, the Chairman of the meeting or other persons entitled to do so may demand a poll.

75. THE instrument appointing a proxy to vote at a meeting shall be deemed to confer authority to demand or join in demanding a poll, and for the purposes of the last preceding Article a demand by a person as proxy for a member shall be the same as a demand by the member.

76. NO poll shall be demanded on the election of a Chairman of a meeting or (except with the consent of the Chairman of the meeting) on any question of adjournment.

77. A POLL validly demanded shall be taken forthwith or (except on a question of adjournment) at such later time (within fourteen days) and at such place and in such manner as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. No notice need be given of a poll, even though not taken immediately. The Chairman of the meeting may appoint scrutineers (who need not be members) for the purpose of taking a poll and may fix a time and place for declaring the result of the poll.

78. IN the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote in addition to any other vote he may have.

79. 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 a poll has been demanded.

VOTES OF MEMBERS

80. SUBJECT to any special rights or restrictions as to voting attached to any shares by or in accordance with their terms of issue or these Articles, at any meeting on a show of hands every member who is present in person 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.

81. A MEMBER who is a patient for the purposes of any statute relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote at a meeting, whether on a show of hands or on a poll, by his receiver, committee, curator bonis, or other person authorised in that behalf whether by virtue of appointment by such Court or otherwise, and such last-mentioned persons may give their votes by proxy on a poll PROVIDED THAT not less than forty-eight hours before the time fixed for holding the meeting or adjourned meeting or the taking of the poll at which it is desired to vote, such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office or at such other place within the United Kingdom as may be specified for the purpose in the notice convening the meeting.

82. IF two or more persons are jointly entitled to a share, then, in voting upon any question, 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 registered holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of that share.

83. (1) WHERE (i) notice (in this Article referred to as an "information notice") is served by the Company pursuant to any provision of the Statutes on any person whom the Company knows or has reasonable cause to believe to be interested in any shares in the Company and that person fails to give the information required by the information notice within the period specified in the information notice (being not less than the period (if any) then required by The Stock Exchange to be the minimum period for the purpose), and (ii) within such period before the expiration of the period specified in the information notice as shall then be stipulated by The Stock Exchange (if any) and in the absence of any such stipulation, then as soon as reasonably practicable before the expiration of the period specified in the information notice, a notice (in this Article referred to as a "disenfranchisement notice") is served by the Company on the member (whether or not he was the person to whom the information notice was addressed) registered as the holder of those shares at the date of service of the information notice having annexed thereto a copy of the information notice identifying the person to whom the information notice is addressed and warning such holder that unless the information required by the information notice is given within the period specified in the information notice such holder is liable to be disenfranchised in accordance with this Article, then unless either:

(a) the person to whom the information notice is addressed is for the time being exempted from the obligation to comply with such notice in accordance with any provision of the Statutes; or

(b) the Directors otherwise determine,

such holder shall not be entitled to exercise either personally or by proxy the votes attaching to such shares unless and until the information required by the information notice has been given to the Company.

(2) Sections 203-205 and 208 of the 1985 Act shall apply for the purpose of construing references in this Article to persons interested in shares as they apply in relation to Sections 198-201 of the 1985 Act (but with the omission of any reference to Section 209 of the 1985 Act).

(3) An information notice may be served by the Company upon a person interested in shares in the Company either personally or by sending it through the post in a pre-paid letter addressed to him at his usual or last known address.

(4) Nothing herein contained shall prejudice or affect the right of the Company to apply to the court for an order under Section 216 of the 1985 Act and in connection with such an application to require information on shorter notice than the minimum prescribed by this Article.

84. SAVE as herein expressly provided, no member, other than a member duly registered who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to vote on any question either personally or by proxy at any General Meeting.

85. ON a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. Up to, but no more than, two separate instruments appointing a proxy may be completed in respect of shares comprised in the same holding of shares entered on the Register of Members provided that each such instrument shall show the number of shares comprised in such holding to which such instrument relates.

86. ON a poll taken at a meeting of the Company or at a meeting of any class of members 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.

87. ANY corporation which is a member of the Company may authorise any person to act as its representative at any meeting of the Company or of any class of members thereof; and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if the corporation were an individual shareholder, and such corporation shall for all purposes of these Articles be deemed to be present in person at any meeting at which any such representative is present. Any such authorisation in writing purporting to be signed by an officer of or other person duly authorised for the purpose by the said corporation shall be conclusive evidence of the authority of the representative to act on behalf of the corporation.

88. NO objection shall be raised to the admissibility of any vote 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 duly raised shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

PROXIES

89. ANY instrument appointing a proxy shall be in any common form or in such other form as may be approved by the Directors, but shall be in writing, executed by or on behalf of the appointor or if such appointor is a corporation either under its common seal or under the hand of an officer, attorney or other person duly authorised in that behalf to sign the same.

90. THE instrument appointing a proxy and any authority under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Directors or such other copy or evidence thereof as the Directors in their absolute discretion shall approve, any such approval being given either generally or in any specific case, shall be deposited at the Transfer Office, or at such other place within the United

Kingdom as is specified in the notice of the meeting or in the form of instrument of proxy issued by the Company, at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll, not less than forty-eight hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

91. A VOTE given or poll demanded in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or incapacity of the appointor or revocation of the proxy or of the authority under which it was executed, provided no intimation in writing of the death, incapacity or revocation shall have been received at the Transfer Office one hour at least before the time fixed for holding the meeting or adjourned meeting or, in the case of a poll, before the time appointed for the taking of the poll at which the proxy is used. Registration (but not delivery for registration) of a transfer of shares shall constitute revocation of the appointment of a proxy in respect of such shares but shall not, in the absence of other evidence of revocation, have effect to revoke such appointment in respect of other shares to which the appointment relates not included in such transfer.

92. 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.

DIRECTORS

93. UNTIL otherwise determined by the Company by Ordinary Resolution, the number of Directors shall not be less than three. The shareholding qualification for Directors may be fixed by the Company in General Meeting, and unless and until so fixed no qualification shall be required. A Director may act before obtaining his qualification, but if not already qualified he shall obtain his qualification within two months from the date of his appointment.

94. UNTIL otherwise determined by the Company in General Meeting the ordinary remuneration of the Directors shall be at a rate not exceeding ~~£75,000~~ ^{++ £150,000} per annum payable only to the non-executive Directors of the Company, namely those Directors of the Company who are not for the time being employed by or holding executive office with the Company or any of its subsidiaries, and to be divided between the non-executive Directors in such manner as the Directors may agree or failing agreement in equal shares. Remuneration payable pursuant to this Article shall be deemed to accrue from day to day.

++ By a special resolution passed on 6th February 1992 the figure of £75,000 was substituted by the figure of £150,000.

95. THE Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in and about the business of the Company, including their expenses of travelling to and from meetings of the Directors or of committees of the Directors or meetings of the Company, or of the holders of shares of any class in the capital of the Company.

96. THE Directors may grant special remuneration to any Director who, being called upon, shall be willing to render any executive, special or extra services to the Company, or to go or reside abroad in connection with the conduct of any of the affairs of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by a lump sum or by way of salary or commission or participation in profits, or by any or all of those modes or otherwise.

APPOINTMENT AND RETIREMENT OF DIRECTORS

97. THE Directors may from time to time appoint any other person to be a Director, either to fill a casual vacancy or as an additional Director. Any Director appointed under this Article shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall be eligible for election as a Director at that meeting. Any Director who retires under this Article shall not be taken into account in determining the rotation of retirement of Directors.

98. THE continuing Director or Directors at any time may act, notwithstanding any vacancy in their body PROVIDED ALWAYS that in case the Directors shall at any time be or be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for him or them to act for the purpose of filling up vacancies in their body or calling a General Meeting of the Company, but not for any other purpose. If there be no Director able or willing to act, any two members may summon a General Meeting for the purpose of appointing Directors.

99. SUBJECT to the provisions of these Articles, at the Annual General Meeting in every year one-third of the Directors (excluding any Directors holding office as Managing Director or Joint Managing Director and any Directors in any event retiring pursuant to Article 97) for the time being, or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office PROVIDED THAT if in any year the number of Directors who are required to be taken into account in determining the number of Directors due to retire by rotation shall be two, one of such Directors shall retire, and if in any year the number shall be one only, that Director shall retire.

100. THE number of Directors to retire by rotation at the Annual General Meeting in accordance with the provisions of the

last preceding Article shall be reduced by the number of Directors, if any, (not being Directors required to retire by rotation or otherwise at that Annual General Meeting) who are entitled to retire and do retire at that Annual General Meeting and who do not wish to offer themselves for re-election.

101. THE Directors to retire at the Annual General Meeting in every year shall be the Directors who have been longest in office since their last appointment or reappointment. As between Directors who became or were last reappointed Directors on the same day, the Directors to retire shall in the absence of agreement be selected from among them by lot. A Director retiring by rotation shall be eligible for reappointment and shall act as a Director throughout the meeting at which he retires.

102. THE Company may, at the meeting at which any Director retires by rotation, by Ordinary Resolution fill up the vacated office by electing thereto the retiring Director or (subject to the provisions of the Statutes) some other person; and in default the retiring Director, if willing to act, shall be deemed to have been re-appointed, except in any of the following cases:

- (a) where at such meeting it is expressly resolved not to fill up such office, or a resolution for the re-election of such Director is put to the meeting and not passed; or
- (b) where before such meeting such Director has given notice in writing to the Company that he is unwilling to be re-elected; or
- (c) where the default is due to the moving of a resolution in contravention of the next following Article; or
- (d) where such Director has attained any retiring age by or pursuant to these Articles or otherwise made applicable to him as a Director.

103. AT a General Meeting a motion for the appointment of two or more persons as Directors of the Company by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

104. (1) NO person not being a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any General Meeting unless, within the prescribed time before the day appointed for the meeting, there shall have been served upon the Company notice in writing by some member (not being the person to be proposed) duly qualified to be present and vote at the

meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected.

(2) The prescribed time above mentioned shall be such that, between the date when the notice is given, or deemed to be given, and the day appointed for the meeting, there shall be not less than six nor more than twenty-eight clear intervening days.

105. THE Company may from time to time in General Meeting increase or reduce the permitted number of Directors, and subject to Article 104(1), may make the appointments necessary for effecting any such increase, and may determine in what rotation such increased or reduced number shall go out of office.

106. IN addition and without prejudice to the provisions of the Statutes, the Company may by Extraordinary Resolution remove any Director before the expiration of his period of office, and may, if thought fit, but subject to Article 104(1) by Ordinary Resolution appoint another person in his stead; any person so appointed shall retain his office so long only as the Director in whose place he is appointed would have held the same if he had not been removed, but shall be eligible for re-election. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

107. (1) THE office of a Director shall be vacated in any of the following events:-

(a) if a bankruptcy order is made against him, or he makes any arrangement or composition with his creditors generally; or, if, being a company, a receiver or manager is appointed of any of the Director's assets or the Director goes into liquidation or is the subject of an administration order or makes any arrangement or composition with its creditors generally;

(b) if in England or elsewhere an order shall be made by any Court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a curator bonis or guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with regard to his property or affairs, and the other Directors pass a resolution that he has by reason of mental disorder vacated office;

(c) if he absents himself from meetings of the Directors for a continuous period of six months without leave of absence from the Directors, and the

Directors pass a resolution that he has by reason of such absence vacated office;

(d) if he is or becomes prohibited by law from being or acting as a Director;

(e) if (not being a Managing or Executive Director holding office as such pursuant to the next following Article under contractual terms providing for the giving of notice which shall not be complied with by such notice) he shall resign by notice in writing under his hand delivered to the Office or tendered at a meeting of the Directors;

(f) if he shall tender his resignation at a meeting of the Directors and the Directors present thereat shall resolve to accept the same;

(g) if (not being already qualified) he does not obtain the number of qualification shares (if any) required by or pursuant to these Articles within two months after his appointment, or if at any time after being duly qualified he ceases to hold such requisite number of qualification shares.

(2) A resolution of the Directors pursuant to Article 107(1)(b) or (c) declaring a Director to have vacated office as aforesaid shall be conclusive as to the fact and grounds of vacation stated in the resolution.

EXECUTIVE DIRECTORS

108. (1) THE Directors may from time to time appoint any of their number to be the holder of any executive office or any other employment with the Company or any of its subsidiaries (including but not limited to such offices as Chairman, Managing Director or Joint Managing Director or their deputies) for such period and upon such terms as they think fit and, subject to the provisions of any agreement entered into in any particular case, may revoke or terminate such appointment, but without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company. The holder of any executive office shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Directors may determine, and either in addition to or in lieu of his remuneration as a Director. Any such appointment shall be automatically determined if the appointee shall cease through any cause to be a Director (but without prejudice as aforesaid) PROVIDED THAT if any Director retires at any General Meeting of the Company but is re-appointed by or deemed to be re-elected at the meeting at which such retirement took effect, his appointment under this Article shall continue to operate after the meeting as if he had not so retired.

(2) The emoluments of any Executive Chairman, Executive Deputy Chairman, Chief Executive, Managing Director, Joint Managing Director or Executive Director for his services as such shall be determined by the Directors, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

109. THE Directors may entrust to and confer upon an Executive Director any of the powers exercisable by them 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 (subject to the terms of any agreement entered into in any particular case) revoke, withdraw, alter or vary all or any of such powers.

ALTERNATE DIRECTORS

110. ANY Director may appoint any person to be his alternate; and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to notice of meetings of the Directors, and to attend and vote as a Director and be counted towards the quorum at any such meeting at which the Director appointing him is not personally present and where he is himself a Director to have a separate vote at meetings of Directors on behalf of each Director he is representing in addition to his own vote, and generally at such meetings to have and exercise all the powers, rights, duties and authorities of the Director appointing him PROVIDED THAT no such appointment of any person not being a Director shall be operative unless and until the approval of the Directors by a majority consisting of not less than two-thirds of all the Directors shall have been given. A Director may at any time revoke the appointment of an alternate appointed by him, and (subject to such approval as aforesaid) appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine PROVIDED THAT if any Director retires at any General Meeting of the Company but is re-appointed by or deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to the meeting shall continue to operate after the meeting as if he had not so retired. Any appointment or revocation under this Article shall be effected by notice in writing under the hand of the Director making the same, and any such notice if sent to or left at the Office shall be sufficient evidence of such appointment or revocation. Every such alternate shall be an officer of the Company and he shall

not be deemed to be the agent of the Director nominating him. An alternate may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director. The remuneration of any such alternate shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between such alternate and the Director appointing him. An alternate Director need not hold any share qualification.

POWERS OF THE DIRECTORS

111. THE business of the Company shall be managed by the Directors, who may exercise all such powers of the Company (including the powers expressly mentioned in the Memorandum of Association of the Company) and do on behalf of the Company all such acts as may be exercised and done by the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting, subject, nevertheless, to the provisions of the Statutes and of these Articles and to such directions (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 that direction or alteration had not been prescribed or made. 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 and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

112. THE Directors may from time to time and at any time by power of attorney, under the Common Seal or under the hand of a Director, appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys 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 power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

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113.(1)THE Directors may make such arrangements as may be thought fit for the management of the Company's affairs, either in the United Kingdom or elsewhere, and may for this purpose (without prejudice to the generality of their powers) establish any committees, local boards or agencies and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration and may delegate to any committee, local board or agency 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,

++ By a special resolution passed on 6th February 1992 Article 113 was renumbered Article 113(1).

or any of them, to fill any vacancies therein, and to act notwithstanding any 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.

113(2)++INSERT RIDER 2

114. THE Directors may exercise the powers conferred upon the Company by the Statutes with regard to the keeping of an overseas branch register in any country or territory specified in Part 1 of Schedule 14 to the 1985 Act where the Company transacts business and may (subject to the provisions of the Statutes) make and vary such provisions as they think fit respecting the keeping of any such register.

115. THE Office shall be at such place in England and Wales as the Directors shall from time to time appoint.

POWER TO PAY PENSIONS
AND TO PROVIDE FOR EMPLOYEES

116. (1) THE Directors may establish and maintain or procure the establishment and maintenance of or the participation of the Company in any non-contributory or contributory pension or superannuation or death, disablement, sickness or other benefit funds or schemes for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or other benefits to any persons who are or were at any time in the employment or service of any company comprised in the Group, or of any company which is or was a predecessor in business of or the whole or any part of the undertaking of which has become mediately or immediately vested in, the Company or any such other company as aforesaid, or who are or were at any time Directors or officers of any such company, whether or not holding any employment or office therein and the wives, husbands, widows, widowers, children or step-children under the age of 18 years and other relatives and dependants of any such persons, and also establish and subsidise or subscribe to any institutions, associations, clubs, or funds calculated to be for the benefit of or to advance the interests and well-being of any company comprised in the Group, or of any such person as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid, and do any of the matters aforesaid, either alone or in conjunction with any company comprised in the Group. Subject always, if the Statutes shall so require, 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, any Director whether or not holding or whether or not he has held any such employment or office shall be entitled to participate in and retain for his own benefit any such

++ By a special resolution passed on 6th February 1992 Article 113(2) was added.

Rider 2

Without prejudice to the provisions of Article 172 the Directors may procure the Company to purchase, establish and maintain and or participate in or contribute to the cost of insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any other company which is its holding company or the subsidiary or subsidiary undertaking of the Company or of any such holding company, or who are or were at any time trustees of any pension fund in which any employees or former employees of the Company or of any such other companies as aforesaid are beneficiaries or otherwise interested, including insurance against any liability incurred by such persons in relation howsoever to any act or omission in the actual or purported execution and or discharge of the duties of any such person and or in the exercise or purported exercise of the powers of any such person and or otherwise in relation to the Company or any such other companies as aforesaid or such pension fund and to the extent permitted by law to indemnify or to exempt any such person from or against any such liability.

donation, gratuity, pension, allowance or benefit. A Director or former Director shall not be accountable to the Company or the members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

(2) For the purposes of this Article "the Group" means the Company, its subsidiary companies, any holding company of the Company, any subsidiary of any such holding company and any other company in which the Company is for the time being directly or indirectly interested.

117. THE Directors are hereby authorised to exercise (by resolution of a meeting of the Directors) the power conferred upon the Company by sub-section (1) of Section 719 of the 1985 Act to make provision out of the profits of the Company available for dividend, for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries, being provision in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

BORROWING POWERS

118. (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 subject to these Articles to issue debentures, and other securities, subject always to the provisions of sub-paragraph (6) of this Article. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control 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 with the previous sanction of the Company in General Meeting, no money shall be borrowed if the aggregate principal amount outstanding of all moneys borrowed by the Group then exceeds or would as a result of such borrowing exceed an amount equal to one and one-half times the aggregate of the adjusted share capital and consolidated reserves.

(2) For the purposes of this Article the Group means the Company and its subsidiaries for the time being.

(3) For the purposes of this Article "the adjusted share capital and consolidated reserves" means the aggregate as certified by the Auditors for the time being of the Company of:-

(i) the amount paid up or credited as paid up on the issued share capital of the Company; and

(ii) the amount standing to the credit of the reserves of the Company and its subsidiaries including share premium account and capital redemption reserve and plus or minus (as the case may be) the credit or debit balance on profit and loss account

all as shown by the latest audited and consolidated balance sheet of the Company and its subsidiaries but after

(iii) adjusting for any variation in such paid up share capital, share premium account and capital redemption reserve and any variation in interests in subsidiaries since the date of the latest relevant audited balance sheet (for which purpose an issue or proposed issue of share capital for cash which has been underwritten shall be deemed paid up to the extent that the underwriters are liable therefor and that such capital will be paid up within six months from the date on which such underwriting becomes unconditional);

(iv) deducting therefrom any amount distributed or proposed to be distributed out of the profits included therein except to the extent that such distribution is attributable to the Company or any of its subsidiaries or has been provided for in such consolidation;

(v) excluding therefrom amounts attributable to minority interests in subsidiaries, amounts provided for deferred taxation and amounts attributable to goodwill (other than goodwill arising only on consolidation) and any other intangible assets; and

(vi) making such other adjustments (if any) as the Auditors consider appropriate.

(4) For the purposes of the preceding sub-clauses of this Article "moneys borrowed" when used in relation to the Company and its subsidiaries shall not include any amounts or obligations for the time being owing by any such companies to any other of them but shall include any fixed or minimum premium payable on final redemption or repayment and (subject to the foregoing) shall include the following except to the extent otherwise taken into account:-

(i) the principal amount of any debentures (as defined by the Statutes) notwithstanding that the same may be or have been issued in whole or part for a consideration other than cash;

(ii) the outstanding amount of acceptances (not being acceptances for the purchase or sale of goods in the ordinary course of trading) by any bank or

accepting house under any acceptance credit granted to the Company or any of its subsidiaries;

(iii) the nominal amount of any issued share capital and the principal amount of any moneys borrowed the redemption or repayment of which is wholly or partly guaranteed or secured or the subject of an indemnity given by the Company or any of its subsidiaries except in so far as the benefit of any such guarantee security or indemnity is held by the Company or any of its subsidiaries and so that for this purpose the expression "guarantee" shall mean any undertaking whether as principal or secondary debtor to answer for the debt or default of another person;

but shall not include:-

(iv) amounts borrowed for the purposes of redeeming or repaying within six months of first being borrowed other moneys borrowed by the Company or any subsidiary (otherwise than from the Company or any other subsidiary) pending their application for that purpose within such period; or

(v) the proportion of the excess outside borrowings of a partly-owned subsidiary which corresponds to the proportion of its equity share capital held otherwise than by the Company or any other subsidiary and so that for this purpose the expression "excess outside borrowings" shall mean so much of the borrowings of such partly-owned subsidiary otherwise than from the Company and its other subsidiaries as exceeds the amounts if any borrowed from it by the Company and its other subsidiaries; or

(vi) amounts borrowed by the Company or any subsidiary for the purpose of financing any contract to the extent that the price receivable under any such contract is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade or other institution carrying on a similar business; or

(vii) moneys borrowed by a company becoming a subsidiary after the date of adoption of this Article and outstanding on the date it becomes a subsidiary but so that such non-inclusion shall only apply for a period of six months from the date of such company becoming a subsidiary.

(5) No lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by this Article is observed, and no debt or liability incurred in excess of such limit shall be

invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded.

(6) No debentures or debenture stock or other mortgage or charge on any part of the assets of the Company or any of its subsidiary companies (other than for the purpose of securing moneys borrowed or to be borrowed by any of such companies from any other of such companies) shall be created or issued without the sanction of the holders of the Preference Shares given by an Extraordinary Resolution passed at a meeting of such holders convened for the purpose, but this restriction shall not apply to debentures or debenture stock charged as aforesaid for securing principal moneys not exceeding in the aggregate £400,000 and to be issued only for the purpose of acquiring further plant and machinery and providing additional working capital; and for the purposes of this sub-clause (6) of this Article the borrowing of money shall be deemed to include the giving of guarantees.

PROCEEDINGS OF DIRECTORS

119. THE Directors or any committee of Directors may meet together either in person or by telephone (provided that all parties to the meeting can hear each other) for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined by the Directors, two shall be a quorum. No Director or other person who is present at a meeting of the Board as an alternate Director shall be counted as two or more for quorum purposes unless at least one other Director or person duly appointed as an alternate Director is also present thereat. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote.

120. 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 the Directors to any Director for the time being absent from the United Kingdom, unless such a Director has given to the Company an address within the United Kingdom at which notice may be served upon him save in any case where such absent Director leaves an address or telex number (either inside or outside the United Kingdom) in which case notice delivered to that address or telex sent to that number shall be deemed to constitute notice to the Director at the time when it is despatched or sent; and if an alternate Director is duly appointed to act as alternate for such a Director, notice of such meeting shall be given to his alternate Director. Notice

of a meeting of Directors shall be deemed to be duly given to any person if given to him personally or by word of mouth or sent in writing to his last known address within the United Kingdom or any other address within the United Kingdom given to the Company by him for the purpose. Any notice sent by post to a Director within the United Kingdom shall be sent first class and shall be deemed to have been given at 8.00 a.m. on the day following posting. A Director or an alternate Director may waive either prospectively or retrospectively notice of any meeting of the Directors which would otherwise be required to be given to him.

121. THE Directors may from time to time elect and remove a Chairman and Deputy Chairman, the senior of whom present shall preside at their meetings but, if no such Chairman or Deputy Chairman be elected or, if at any meeting the Chairman or Deputy Chairman be not present within five minutes after the time appointed for holding the same or shall be present but unwilling to act as chairman of the meeting, a substitute for that meeting shall be appointed by such meeting from among the Directors present.

122. THE Directors may delegate any of their powers, other than the powers to borrow and make calls, to committees consisting of such member or members 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 from time to time be imposed by the Directors. Save as aforesaid, the meetings and proceedings of a committee consisting of more than one member shall be governed by the provisions of these Articles regulating the meetings and proceedings of Directors.

123. ALL acts bona fide done by any meeting of the Directors, or by a committee of Directors or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office 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 or had duly continued in office and was qualified and had continued to be a Director and been entitled to vote.

124. THE Directors shall cause proper minutes to be made in books to be provided for the purpose of all appointments of officers made by the Directors, of the proceedings of all meetings of Directors and committees of Directors, and of the attendances thereat, and of the proceedings of all meetings of the Company and of holders of any class of shares in the Company and all business transacted, resolutions passed and orders made at such meetings, and any such minutes of such meetings, if purporting to be signed by the Chairman of such meetings, or by the Chairman of the next succeeding meeting of the Company or Directors or committee, as the case may be,

shall be sufficient evidence without any further proof of the facts therein stated.

125. A RESOLUTION in writing signed or approved by telex, cable or telephone subsequently confirmed by telex, cable or letter by each Director present within the United Kingdom throughout the day of circulation of the resolution and entitled to receive notice of a meeting of the Directors or by each member of a committee shall be as effective as a resolution passed at a meeting of the Directors or, as the case may be, of such committee, duly convened and held, and where in writing signed by more than one Director or member of a committee may consist of several documents in the like form each signed by one or more of the Directors, or members of the committee concerned. The signature or approval of an alternate Director acting as alternate for any Director who has not signed or approved the resolution shall be deemed for the purpose of this Article to be the signature or approval (as the case may be) of the Director for whom the alternate Director so acts.

INTERESTS OF DIRECTORS

126. (1) A DIRECTOR may hold any other office or place of profit under the Company except that of Auditor in conjunction with the office of Director and may act by himself or through his firm in a professional capacity to the Company, and in any such case on such terms as to remuneration and otherwise as the Directors may determine, and may receive such extra emoluments therefor (whether by way of salary, commission or participation in profits or otherwise) as the Directors may determine, and such extra emoluments shall be in addition to any remuneration provided for by or pursuant to any other of these Articles. A Director may be a customer of the Company and of any subsidiary of the Company in the ordinary course of its business and no Director shall be disqualified by his office from entering into any contract, transaction or arrangement with the Company either in regard to such office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, transaction or arrangement (subject if and as required by Section 320 of the 1985 Act to the approval of the Company in General Meeting) nor any contract, transaction or arrangement entered into by or on behalf of the Company in which any Director or person connected with him shall be in any way interested be avoided, nor shall any Director who enters into any such contract, transaction or arrangement or who is so interested be liable, by reason of such Director holding that office or of the fiduciary relationship thereby established, to account to the Company or the members for any profit or other benefits realised by any such contract, transaction or arrangement, but it shall nevertheless be the duty of any Director who is for the purposes of Section 317 of the 1985 Act in any way, whether directly or indirectly, interested in any contract, transaction or arrangement, or

proposed contract, transaction or arrangement with the Company (including any transaction or arrangement of the kind described in Section 330 of the 1985 Act made or to be made by the Company for the Director or a person connected with the Director) to declare the nature of such interest at a meeting of the Directors in accordance with Section 317 of the 1985 Act.

(2) Save as herein provided, a Director shall not as a Director vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(3) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

(a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries; or

(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or

(c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer the Director is or is to be interested as a participant in the underwriting or sub-underwriting thereof; or

(d) 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 (other than as bare trustee) of or beneficially interested in one per cent. or more of the issued shares of any class 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 paragraph (3) to be a material interest in all circumstances); or

(e) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death, disability, sickness or other 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

(f) any arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the Director benefits in a similar manner to the employees and which does not accord to the Director as such any privilege or advantage not generally accorded to the employees to whom such arrangement relates.

(g) ++ INSERT RIDER 3

(4) Where proposals are under consideration concerning the appointment (including fixing or varying or recommending the terms of appointment or the termination thereof) 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 case each of the Directors concerned (if not debarred from voting under paragraph (3) (d) 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.

(5) If any question shall arise at any meeting as to the materiality of the interest of a Director (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned as known to such Director, have not been fairly disclosed. If any question as aforesaid shall arise in respect of the Chairman of the meeting such question shall be decided by a resolution of the Directors (for which purpose such Chairman shall be counted in the quorum, but shall not vote) and such resolution shall be final and conclusive except in a case where the nature or extent of the interests of such Chairman, as known to such Chairman, have not been fairly disclosed.

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

++ By a special resolution passed on 6th February 1992 paragraph (g) was added to Article 126(3).

Rider 3

any proposal concerning any insurance which the Company is empowered to purchase establish maintain and or participate in or contribute to the cost of or for the benefit of (inter alia) any Directors of the Company including but without limitation insurance against any liability incurred by a Director as referred to in Article 113(2) hereof or any other insurance which the Company is empowered to purchase and or maintain for or for the benefit of Directors of the Company

127. ANY Director may continue to be or become a director, officer, servant or member of or be otherwise interested in or be a party to any contract, transaction or arrangement with any other company in which the Company may be interested, and (unless otherwise agreed) no such Director shall be accountable to the Company or the members for any remuneration or other benefits received by him as a director, officer, servant or member of or from his interest in, or from any such contract, transaction or arrangement with, any such other company.

128. THE Directors may exercise the voting powers 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 or servants of such company or voting or providing for the payment of remuneration to such officers or servants).

RECORDS FOR INSPECTION

129. THE Company shall keep and make available for inspection:-

(a) as required by Section 318 of the 1985 Act copies or memoranda of the service contracts of Directors (including shadow directors as defined by the Statutes);

(b) as required by Section 325 of the 1985 Act a register of Directors' interests in shares or debentures of the Company or any other body corporate being the Company's subsidiary or holding company or a subsidiary of the Company's holding company, which register shall be produced and remain open at each Annual General Meeting; and

(c) as required by Section 211 of the 1985 Act, a register for recording information received and requirements imposed by the Company pursuant to Sections 198 to 202 and 212 of the 1985 Act relating to the acquisition, disposal or changes in amounts of and interests in shares in the Company.

SECRETARY

130. THE Secretary shall be appointed by the Directors in accordance with the Statutes for such time at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company.

131. ANY provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the

Secretary; but subject thereto anything by the Statutes or by these Articles 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.

SEALS

132. THE Directors shall provide for the safe custody of the Common Seal, the Securities Seal and every other seal of the Company, but shall have power from time to time to destroy the same and to substitute new seals in lieu thereof. No such seal of the Company shall ever be affixed to any instrument except by the authority of a resolution of the Directors or of a committee of the Directors authorised in that behalf, but such authority may be of a general nature and need not apply only to specific documents or instruments.

133. SUBJECT as in this Article provided, either one Director and the Secretary or two Directors or any two persons authorised by a resolution of the Directors or of a committee duly authorised in that behalf shall sign autographically every instrument to which the Common Seal shall be affixed and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the Common Seal has been properly affixed. A resolution of the Directors or of a committee authorising two persons for this purpose may be of a general nature and need not apply only to specific documents or instruments. Any certificate for shares, stock or debenture or loan stock (except where the Trust Deed constituting any stock or debenture or loan stock provides to the contrary) or representing any other form of security of the Company to which a seal of the Company is required to be affixed need not be signed or countersigned by any person.

134. THE Company may have an official seal (being the Securities Seal), as permitted by Section 40 of the 1985 Act, for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued, and any such document to which the Securities Seal is affixed need not be signed by any person.

135. THE Company may have an official seal for use abroad under the provisions of the Statutes, where and as the Directors shall determine, and the Company may by writing under the Common Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as the Directors think fit.

AUTHENTICATION OF DOCUMENTS

136. ANY Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

137. A DOCUMENT purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Company or the Directors or any committee of the Directors which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Company or the Directors or of such committee of the Directors as the case may be.

NEGOTIABLE INSTRUMENTS, RECEIPTS ETC.

138. 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 shall from time to time by resolution determine.

DIVIDENDS

139. SUBJECT to any rights or privileges for the time being attached to any shares in the capital of the Company having preferential, deferred or other special rights in regard to dividends, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively otherwise than in advance of calls. All dividends shall be apportioned and paid pro rata (as nearly as may be) 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 rank for dividend as if paid up (in whole or in part) as from a particular date (either past or future), such share shall rank for dividend accordingly.

140. SUBJECT to these Articles:-

- (a) the Company in General Meeting may sanction or declare dividends, but so that no larger dividend may be sanctioned or declared than is recommended by the

Directors and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive; and

(b) the Directors may from time to time, if they think fit, and if in their opinion the position of the Company justifies such payment, pay interim dividends.

141. NO dividend or other distribution (as defined in Section 263 of the 1985 Act) shall be paid:-

(a) otherwise than out of profits available for the purpose (as defined in the said Section 263); and

(b) if at that time the amount of the Company's net assets (as specified in Section 264 of the 1985 Act) is less than the aggregate of the Company's called up share capital and its undistributable reserves (as defined in the said Section 264) as shown by the latest audited accounts of the Company or such other accounts as may be the relevant accounts for the purposes of Section 270 of the 1985 Act; and

(c) to the extent that such dividend or other distribution would reduce the amount of those assets to less than that aggregate as so shown.

142. THE Directors may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares of the Company the right to elect to receive additional ordinary shares, credited as fully paid, instead of cash in respect of such dividend or dividends, or any part thereof, as are specified by such resolution. The following provisions shall apply:-

(a) Such resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period for this purpose but such period may not end later than the conclusion of the Annual General Meeting following next after the date of the meeting at which the resolution is passed.

(b) Subject as hereinafter provided, the entitlement of each shareholder to elect to receive new ordinary shares shall be such that the maximum aggregate Relevant Value of such new shares for which election may be made shall be as nearly as practicable equal to (but not in excess of) the aggregate cash amount the shareholder would have received by way of dividend in respect of the holding to which such election relates. 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 on the day on which the 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 such resolution. A certificate by the Auditors as to the amount of the Relevant Value in respect of any dividend shall be conclusive and binding on all concerned.

(c) The basis of allotment shall be determined by the Directors and shall be such that no shareholder shall receive any fraction of a share and no shareholder shall be entitled to receive the entire dividend in respect of the holding to which such election relates in the form of shares but subject thereto shall be entitled to receive the maximum number of additional shares which the election shall validly seek.

(d) The Directors, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them and shall send with, or following, such notification forms of election and specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective.

(e) The Directors may exclude from any such offer any holders of shares where the Directors consider that the making of the offer to them would or might involve legal or practical problems under or resulting from the apparent application of the laws of any territory or the requirements of any recognised regulatory body or stock exchange in any territory.

(f) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which an election has been made ("the elected shares") and in lieu of which additional ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment so determined. For such purpose the Directors shall capitalise out of any amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or of any capital redemption reserve or share premium account as the Directors may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on the basis so determined and apply the same in paying up in full the appropriate number of unissued ordinary shares of the Company to be allotted and distributed among the holders of the elected shares entitled thereto on such basis.

(g) The additional shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares of the Company then in issue except they will not be entitled to participate in the relevant dividend (including the share election in lieu of dividend).

143. A GENERAL Meeting sanctioning or 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, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution the Directors 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 values 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 and no valuation, adjustment or arrangement so made shall be questioned by any member.

PAYMENT OF DIVIDENDS AND OTHER MONEYS

144. NO dividend or other moneys payable on or in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the same.

145. 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 shares of the Company.

146. THE Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

147. THE payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company. All unclaimed dividends and other moneys may in the absolute discretion of the Directors be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No such unclaimed dividend or other moneys shall bear interest as against the Company.

148. ANY dividend or other moneys payable in cash in respect of any share may be paid by cheque or warrant payable to the order of the member entitled thereto, or (in the case of joint holders) of that member whose name stands first on the Register in respect of the joint holding or to such person as the holder

or joint holders or person or persons entitled by transmission may direct. Every such cheque or warrant shall (unless otherwise directed by the person entitled thereto) be sent by prepaid envelope to the last registered address of the member entitled thereto, and payment of the cheque or warrant if purporting to be duly endorsed or, when unendorsed, appearing to have been duly paid by the banker on whom it is drawn, shall be a good discharge to the Company for all dividends or moneys so paid. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

149. IF the person entitled to a dividend directs that the dividend should be paid to a bank, nothing in the preceding Article shall prevent the Directors in their absolute discretion from making special arrangements for the payment of the dividends receivable by such banker.

150. IF several persons are registered as joint holders of any share, or are entitled jointly by transmission to a share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

RESERVES

151. THE Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper to a reserve or reserves which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or for equalising dividends or distribution by way of special dividend, or for any other purposes for which the profits of the Company may lawfully be applied, and the Directors may divide the reserve or reserves into separate funds for special purposes, and may either employ the sums from time to time carried to the credit thereof in the business of the Company or invest the same in such investments as they may select (but in the case of shares of the Company or of its holding company, only as permitted by these Articles and the Statutes). The Directors may also without placing the same to reserve from time to time carry forward such sums as they may deem expedient in the interests of the Company.

152. THE Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or of any capital redemption reserve or share premium account and accordingly that such amount be set free for distribution and appropriated to the holders of Ordinary Shares in accordance with their rights and interests in the profits on the footing that such holders become entitled thereto as capital and that all or any part of such capitalised fund be applied either in paying up in full unissued shares of the Company or, except in the case of a capitalisation of any amount standing to the

credit of any capital redemption reserve or share premium account or other undistributable reserve, in paying in full unissued debentures of the Company, and that such shares or debentures be allotted and distributed among such holders in accordance with their rights and interests in the profits of the Company or excepting as aforesaid in or towards paying up amounts for the time being unpaid on any shares held by such holders respectively or so far as the relevant amounts are distributable partly in one way and partly in another PROVIDED THAT in the case where any amount is applied in paying up in full debentures of the Company or in or towards paying up amounts for the time being unpaid on any shares of the Company the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves and would not be reduced below that aggregate by the payment thereof as shown in the latest audited accounts of the Company or such other accounts as may be the relevant accounts for the purposes of Section 270 of the 1985 Act.

153. WHENEVER a resolution is passed in pursuance of the last preceding Article and subject to these Articles and to the Statutes, the Directors shall make all appropriations and applications of the amount resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or the accrual of the benefit to the Company rather than to the shareholders concerned or otherwise as they think fit in the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto 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, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits or reserves resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

154. THE Directors shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions in accordance with the Statutes. The accounting records shall be kept at the Office, or, subject to the provisions of the Statutes, at such other place or places as the Directors shall think fit, and shall always be open to inspection by the officers of the Company.

155. THE Directors shall from time to time determine whether and to what extent (if any) and at what times and places and under what conditions or regulations the accounting records and books of the Company, or any of them, shall be open to the inspection of members, and no member (other than an officer of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by the Statutes or authorised by the Directors or by a resolution of the Company in General Meeting.

156. (1) THE Directors shall from time to time in accordance with the Statutes, 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 referred to in the Statutes.

++ Insert Rider 4

(2) Subject as provided in this Article/a copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and the Directors' report, shall, not less than twenty-one clear days previous to the General Meeting, be sent to each member and to every other person by these Articles or the Statutes entitled to receive copies of such documents.

(3) Paragraph (2) of this Article shall not require a copy of any document to be sent to more than one of any persons holding jointly (or by transmission becoming jointly entitled to) any shares or to any person of whose address the Company is not aware, but any such person to whom a copy of the documents specified in paragraph (2) of this Article has not been sent shall nevertheless be entitled to receive a copy free of charge on application at the Office.

AUDIT

157. THE accounts of the Company shall be examined, the consistency therewith of the directors' report considered and the profit and loss account, balance sheet and the group accounts, if any, investigated by one or more properly qualified Auditor or Auditors in accordance with the provisions of the Statutes.

158. THE appointment, powers, rights, remuneration and duties of the Auditors shall be regulated by the Statutes.

159. THE Auditors shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns them as auditors.

were inserted

++ By special resolution passed on 6th February 1992 the following words/"... and unless the Company shall under the provisions of Section 251 of the 1985 Act despatch summary financial statements ..."

Rider 4

... and unless the Company shall under the provisions of Section 251 of the 1985 Act
despatch summary financial statements ...

NOTICES

160. A NOTICE or other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address or by leaving it at that address.

161. ALL notices directed to be given to the members shall with respect to any share to which persons are jointly entitled be given to whichever of such persons is named first in the Register in respect of that share, and notice so given shall be sufficient notice to all the holders of such share.

162. ANY member described in the Register by an address not within the United Kingdom who shall from time to time give 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 and as provided by the Statutes, only those members who are described in the Register by an address within the United Kingdom shall be entitled to receive any notices from the Company.

163. IF at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting of the Company or of the holders of any class of shares in the capital of the Company by notice sent through the post, any such general meeting may be convened by notice advertised once in at least two leading daily newspapers, at least one of which shall be published in London; such notice shall be deemed to have been duly served on all persons entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall as soon as practicable after normal postal services within the United Kingdom are restored send confirmatory copies of the notice by post unless the time of such posting shall be less than 48 hours prior to the time of the meeting for which such notice is given.

164. ANY summons, notice, order or other document required to be given to or served upon the Company, or upon any officer of the Company, may be given or served by leaving the same or sending it through the post in a prepaid registered letter addressed to the Company, or to such officer, at the Office.

165. EVERY person who becomes entitled to a share shall be bound by any notice in respect of that share (other than a notice served pursuant to Article 83) which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

166. SUBJECT to the provisions of the Statutes any notice or other document if given or served by the Company by post shall be deemed to have been given or served at the expiration of twenty-four hours (or where second-class mail is employed, forty-eight hours) after the letter containing the same is

posted, and in proving such giving or service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted. A notice given by advertisement shall be deemed to have been served on the day on which the advertisement appears.

167. ANY notice or other document served upon or sent to any member in accordance with these Articles shall, notwithstanding that he be then deceased or bankrupt, and whether the Company has notice of his death or bankruptcy or not, be deemed to be duly served or sent in respect of any shares held by him (either alone or jointly with others) until some other person is registered in his stead as the holder or joint holder of such shares, and such service or sending shall be a sufficient service on or sending to his executors, administrators or assigns and all other persons (if any) interested in or entitled by transmission to such shares.

RECORD DATES

168. SUBJECT to the Statutes and to the Articles the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before any date on which such dividend, distribution, allotment or issue is paid or made and on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared.

DESTRUCTION OF DOCUMENTS

169. THE Company may destroy:-

(a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;

(b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate, variation, cancellation or notification was recorded by the Company;

(c) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration thereof; and

(d) any other document on the basis of which an entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other

document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company PROVIDED ALWAYS that:-

(i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;

(ii) nothing contained in this Article 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 case where the conditions of proviso (i) above are not fulfilled; and

(iii) references in this Article to the destruction of any document include references to its disposal in any manner.

UNTRACED MEMBERS

170. (1) THE Company shall be entitled to sell as the agent of a member or the person entitled by transmission from such member at the best price reasonably obtainable any share registered in the name of that member PROVIDED THAT the following conditions are satisfied:-

(a) for a period of twelve years during which the Company has made a distribution by way of dividend to the holders of ordinary shares of the Company on at least three separate occasions no cheque or warrant sent by the Company through the post in a prepaid envelope addressed to the member or to the person entitled by transmission to the share at his address on the Register or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission; and

(b) the Company has at the expiration of the said period of twelve years by advertisement in two national daily newspapers and in a newspaper circulating in the area in which the address referred to in sub-paragraph (a) of this Article is located given notice of its intention to sell such share; and

(c) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and

(d) the Company has given notice in writing to the Quotations Department of The Stock Exchange of its intention to sell such share.

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share or shares registered in the name of the member and such instrument of transfer shall be as effective as if it had been executed by the member or person entitled by transmission to such share or shares. The Company shall remain liable to account to the member or other person entitled by transmission to such share or shares for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him in respect of the same.

(2) In the event that the Company shall have sent through the post in a prepaid envelope addressed to a member or to the person entitled by transmission to shares registered in the name of such member at his address on the Register or other the last known address given by the member or the person entitled by transmission, cheques or warrants in respect of distributions by way of dividend made by the Company and on two consecutive occasions such cheques or warrants shall not have been cashed or shall have been returned undelivered, the Company thereafter shall be entitled to withhold the issue of cheques or warrants to such member or person entitled by transmission in respect of distributions made by the Company by way of dividend. The Company shall remain liable to account to such member or person entitled by transmission for the amounts otherwise required to be distributed but for the provisions of this paragraph and shall be deemed to be his debtor, and not a trustee for him in respect of the same.

(3) Any such proceeds or amounts in respect of which the Company remains liable to account by virtue of this Article shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such separate accounts may either 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. Such moneys shall not bear interest as against the Company.

WINDING UP

171. IF the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of an Extraordinary Resolution, and any other sanction required by the Statutes, divide among the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any

property to be divided as aforesaid 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 sanction, vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the members as the Liquidator, with the like sanction, shall think fit, and if thought expedient any such division may be otherwise than in accordance with the legal rights of the members of the Company, and in particular any class may be given preferential or special rights, or may be excluded altogether or in part, but in case any division, otherwise than in accordance with the legal rights of the members, shall be determined on, any member who would be prejudiced thereby shall have a right to dissent and ancillary rights, as if such determination were by Special Resolution passed pursuant to Section 110 of the Insolvency Act 1986. In no such case shall a member be compelled to accept any assets upon which there is a liability.

INDEMNITY

172. SUBJECT to the provisions of the Statutes every Director and other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses, costs, charges, expenses and liabilities (including, without prejudice to the generality of the foregoing any such liability as is mentioned in Section 310(3) of the 1985 Act) which he may sustain or incur in or about the execution of his office and discharge or purported discharge of his duties, or otherwise in relation thereto, and whether such duties are owed to the Company or to any other person whomsoever, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.