

THE COMPANIES ACT 1929  
AND  
THE COMPANIES ACTS 1948 TO 1981  
COMPANY LIMITED BY SHARES

*M*  
*CHAIRMAN*

**MEMORANDUM OF ASSOCIATION  
OF  
CHARTERHOUSE SECURITIES HOLDINGS LIMITED**

(As altered by Special Resolution passed on 18 December 1952 and in pursuance of the Directors' Resolution under Section 8(4) of the Companies Act 1980 passed on 25 September 1981. Further altered by Ordinary Resolution passed on 26 September 1985 and by Special Resolutions passed on 14 March 1986, 21 April 1986, 10 February 1999 and on 27 June 2000.

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1. The name of the Company is "Charterhouse Securities Holdings Limited"<sup>1</sup>.
  2. The Company is to be a private limited company.
  3. The Registered Office of the Company will be situated in England and Wales.
  4. The Objects for which the Company is established are:
    - (A) To acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in the United Kingdom, or in any Colony, or Dependency, or possession thereof, or in any foreign country, and debentures, debenture stock, bonds, obligations, and securities, issued or guaranteed by any government, sovereign ruler, commissioners, public body, supreme, municipal, local, or otherwise, whether at home or abroad.
    - (B) To acquire any securities or investments by original subscription, tender, participation in syndicates, or as consideration for services rendered, moneys paid, guarantees given, or for any other cause, and whether fully paid or not,

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<sup>1</sup> The Company was incorporated as "Charterhouse Industrial Development Company, Limited". The name was changed to "The Charterhouse Group Limited" on 3 November 1958 and to "The Charterhouse Group plc" on 5 October 1981 in pursuance of the Directors' Resolution of 25 September 1981 and to "Charterhouse plc" on 4 April 1986 and to "CCF Charterhouse plc" on 24 February 1999 and to Charterhouse Securities Holdings Limited on 27 June 2000.

and to make payments thereon as called upon and to acquire the same, whether in excess of the amount proposed to be invested or not, and to make such subscriptions as aforesaid conditionally or otherwise and to make advances upon such securities or investments, and to invest or re-invest the money received for or produced by the same, and any moneys of the share capital of the Company, and generally to vary the securities and investments of the Company from time to time.

- (C) To issue debentures, debenture stock, bonds, obligations and securities of all kinds, and to frame, constitute, and secure the same, as may seem expedient, with full power to make the same transferable by delivery, or by instrument of transfer or otherwise, and either perpetual or terminable and either redeemable or otherwise, and to charge or secure the same by trust deed or otherwise on the undertaking of the Company, or upon any specific property and rights, present and future of the Company (including, if thought fit, uncalled capital), or otherwise howsoever.
- (D) To facilitate and encourage the creation, issue or conversion of debentures, debenture stock, bonds, obligations, shares, stocks and securities, and to act as trustees in connection with any such securities, and to take part in the conversion of business concerns and undertakings into companies.
- (E) To lend and advance money and assets of all kinds or give credit to any company or person, and on such terms as may be thought fit, and in particular to its customers and companies dealing with the Company, and to give guarantees or become security for any such company.
- (F) To constitute any trust with a view to the issue of preferred or deferred or any other special stocks or securities based on or representing any shares, stocks or other assets specifically appropriated for the purposes of any trust, and to settle and regulate, and if thought fit, to undertake and execute any such trusts, and to issue, dispose of, or hold any such preferred, deferred, or other special stocks or securities.
- (G) To guarantee the payment or performance of any debts, contracts or obligations, or become security for any person, firm, or company, for any purpose whatsoever.
- (H) To invest any money which may be in the hands or under the control of the Company, or otherwise at its disposal, in such manner as may from time to time be thought fit.
- (I) To negotiate, take up, and issue loans for governments, municipal, local, public and other bodies and corporations, or for private or other persons, firms and companies.
- (J) To act as agents and as trustees for any person, firm or company, and to undertake and perform sub-contracts and also to act in any of the business of

the Company through or by means of agents, brokers, sub-contractors, or others.

- (K) Generally to carry on business as financiers, and to undertake and carry out all such operations and transactions as an individual capitalist may lawfully undertake and carry out, except the business of Bankers.
- (L) To promote any company or companies for the purpose of its or their acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (M) To raise money by share capital, and to invest the same either in the name of the Company or in the name of any Trustee for, or nominee of the Company, and in such manner as the Directors may deem expedient and to act as a trust investment company.
- (N) To borrow or raise money by the issue or sale of any bonds, mortgages, debentures or debenture stock of the Company or in any other manner; to receive money on loan or on deposit, or in advance of calls at interest or otherwise and on any security, and to invest the amount so obtained in such manner as the Directors may deem expedient, either in the name of the Company or in the name of any Trustee for, or nominee of the Company, or to use or apply it for any of the purposes for which the Company is established.
- (O) To act as promoters or founders of any public or private company or undertaking, and to underwrite or guarantee the issue or subscription to the capital, debentures, debenture stock or obligations of any such company or undertaking or any part thereof, and to sell and issue the same upon commission or otherwise, and to expend money in law expenses in the payment of fees in preparing, circulating and advertising notices and prospectuses, and in doing all other things which may be necessary for successfully promoting, forming and floating any such company and undertaking, or any government, municipal or other loan, and generally to act as financiers, financial agents, underwriters and dealers in stocks, shares, loans, annuities, reversionary interests and other securities. Provided always that the Company shall not act as Stock or Share Brokers or Dealers.
- (P) To seek for and secure openings for the employment of capital in any part of the world, and with a view thereto to prospect, inquire, examine, explore, and test, and to despatch and employ expeditions, commissioners, experts and other agents.
- (Q) To take part in the management, supervision, or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, accountants, or other experts or agents.

- (R) To employ experts to investigate and examine into the condition, prospects, value, character, and circumstances of any business concerns and undertakings, and generally of any assets, property or rights.
- (S) To distribute among members of the Company in kind any property of the Company, and in particular any shares, debentures or securities of other companies belonging to the Company or of which this Company may have the power of disposing.
- (T) To develop and turn to account any land acquired by or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, and improving buildings, and by paving, draining, letting on building lease or building agreements, and by advancing money to and entering into contracts and arrangements of all kinds with builders, contractors, tenants and others.
- (U) To purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property, and any rights or privileges which the Company may think necessary or convenient for the purposes of its business, and in particular any lands, buildings, easements, ships, barges, rolling stock, vans, waggons, carts, machinery, plant, furniture and stock in trade, and to sell, let or otherwise deal with the same.
- (V) To purchase or otherwise acquire any business or undertaking whatsoever, with or without any property connected therewith or belonging thereto, or any option or right in relation thereto and to carry on, develop and extend the same with a view to the sale and disposition thereof, and to sell, dispose of, and deal with the same.
- (W) To effect all such insurances in relation to the carrying on of the Company's business and any risks incidental thereto as may seem expedient, and, if thought fit, to join or become a member of any mutual insurance company.
- (X) To enter into partnership or into any arrangement for sharing profits, union of interest, joint adventure, reciprocal concessions or co-operation with any 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 capable of being conducted so as directly or indirectly to benefit the Company, and to take or otherwise acquire and hold shares or stock in or securities of, and to subsidise and otherwise assist any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with such shares, stock or securities.
- (Y) To sell, exchange, mortgage (with or without a power of sale), assign, lease, sub-let, improve, manage, develop, dispose of, turn to account, grant rights and privileges in respect of and generally otherwise deal with the whole or any part of the business, estates, property, rights or undertakings of the Company

upon any terms, either together or in portions, and as a going concern or otherwise to any company for such consideration as the Company may think fit, and either for cash or shares (fully or partly paid), stocks, debentures, obligations or securities of any other company.

- (Z) To apply for and obtain any legislative, municipal or other Acts or authorisations for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company constitution or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (AA) To pay out of the funds of the Company all expenses which the Company may lawfully pay, having regard to the provisions of Section 43 of Companies Act, 1929, of or incident to the formation, registration and advertising of or raising money for the Company and the issue of its capital, or for contributing or assisting any issuing house or firm or persons either issuing or purchasing with a view to issue all or any part of the Company's capital in connection with the advertising or offering the same for subscription or sale, including brokerage and commissions for obtaining applications for or taking placing or underwriting shares, debentures or debenture stock.
- (BB) To support or subscribe to any charitable or public object and any institution, society or club which may be for the benefit of the Company or its Directors, officers or employees, or the Directors, officers and employees of its predecessors in business, or may be connected with any town or place where the Company carries on business; to give pensions, gratuities or charitable aid to any of its Directors, officers or employees or to any person who may have served the Company or its predecessors in business, or to the wives, children or other relatives or dependents of such persons; to make payment towards insurance and to form and contribute to provident and benefit funds for the benefit of any Directors or officers of or persons employed by the Company, or of or by its predecessors in business, and to subsidise or assist any association of employers or employees or any trade association.
- (CC) To carry out all or any of the foregoing objects as principals or agents, or in partnership or conjunction with any other company, and in any part of the world.
- (DD) To do all such other things as are incidental or conducive to the attainment of the above objects.

And it is hereby declared that in the construction of this clause the word 'Company', except where used in reference to the Company shall be deemed to include any person or partnership or other body of persons whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and words denoting the singular number only shall include the plural number, and vice versa, and the

intention is that the objects specified in each paragraph of the clause shall, except where otherwise explained in such paragraph, be in nowise restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

5. The liability of the members is limited.
6. The share capital of the Company is £500,000<sup>2</sup> divided into 500,000 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 sub-division of a share to apportion the right to participate in profits or surplus assets with special rights, priorities and privileges to any of the sub-divided shares, or the right to vote in any manner as between the shares resulting from such sub-division. The rights for the time being attached to any shares having preferential, deferred, qualified or special rights, privileges or conditions attached thereto may be modified or dealt with in the manner mentioned in the Articles of Association for the time being of the Company but not otherwise.

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS		Number of Shares taken by each Subscriber
HENRY WILLIAM HILL 47 Briar Avenue, Norbury, SW16	Solicitor's Clerk	One
GEORGE CONRAD 103 Phyllis Avenue, New Maldon	Solicitor's Clerk	One
ARTHUR DERE COURT GARDNER 140 Palace View, Bromley, Kent	Solicitor's Clerk	One
ERNEST WILLIAM ROSIER 31 Weybridge Road, Thornton Heath, Surrey	Solicitor's Clerk	One
LAWRENCE GEORGE GARLAND 4A Panmure Road, Sydenham, SE26	Solicitor's Clerk	One
JOHN THOMAS SLATTERY 30 Gowrie Road, Lavender Hill, SW11	Solicitor's Clerk	One

CHARLES CLAUDE ROSE  
18 St Joan's Road, Edmonton, N9

Solicitor's Clerk

One

DATED the 24<sup>th</sup> day of May 1934.

WITNESS to all the above Signatures:-

NORMAN J. DREW

Clerk to Messrs CLIFFORD-TURNER & CO.

81/87 Gresham Street, EC2

Solicitors.

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<sup>2</sup> On 11 May 1949, the share capital of the Company was increased to £2,000,000 divided into 1,000,000 4¼ per cent. Cumulative Preference Shares of £1 each and 1,000,000 Ordinary Shares of £1 each.

On 10 May 1951, the capital was increased to £3,000,000, by the creation of an additional 1,000,000 Ordinary Shares of £1 each.

On 18 December 1952, the capital was increased to £10,000,000 divided into 1,000,000 4¼ per cent. Cumulative Preference Shares of £1 each, 4,000,000 6 per cent. Cumulative Second Preference Shares of £1 each, 4,500,000 Ordinary Shares of £1 each and 500,000 'B' Ordinary Shares of £1 each.

In accordance with the terms of issue of the 500,000 'B' Ordinary Shares they became converted into Ordinary Shares on the payment of the dividend in respect of the financial year of the Company 1955/56. On 29 April 1959, the share capital was increased to £15,000,000 divided into 1,000,000 4¼ per cent. Cumulative Preference Shares of £1 each, 4,000,000 6 per cent. Cumulative Second Preference Shares of £1 each and 10,000,000 Ordinary Shares of £1 each.

On 31 March 1965, the capital was increased to £17,500,000 by the creation of an additional 2,500,000 Ordinary Shares of £1 each.

On 3 April 1967, the capital was increased to £20,000,000 divided into 1,000,000 4¼ per cent. Cumulative Preference Share, 4,000,000 6 per cent. Cumulative Second Preference Shares and 15,000,000 Ordinary Shares all of £1 each.

On 2 April 1969, (i) the capital was increased to £22,500,000 by the creation of an additional 2,500,000 Ordinary Shares of £1 each, and (ii) each of the existing 17,500,000 Ordinary Shares of £1 each, was sub-divided into 4 Ordinary Shares of 25p each.

On 3 May 1971, (i) the 1,000,000 4¼ per cent. Cumulative Preference Shares of £1 each were converted into 1,000,000 4¾ per cent. Cumulative Preference Shares of £1 each, and (ii) the 4,000,000 6 per cent. Cumulative Second Preference Shares of £1 each were converted into 4,000,000 6¾ per cent. Cumulative Second Preference Shares of £1 each.

On 1 August 1974, the capital was increased to £25,500,000 by the creation of an additional 12,000,000 Ordinary Shares of 25p each.

On 12 February 1975, (i) the capital was increased to £27,500,000 by the creation of an additional 8,000,000 Ordinary Shares of 25p each, (ii) the 1,000,000 3.325 per cent. Cumulative Preference Shares of £1 each were converted into 1,000,000 4 per cent. Cumulative Preference Shares of £1 each, and (iii) the 4,000,000 4.725 per cent. Cumulative Second Preference Shares of £1 each were converted into 4,000,000 5.75 per cent. Cumulative Preference Shares of £1 each.

On 25 June 1976, the capital was increased to £35,000,000 by the creation of an additional 30,000,000 Ordinary Shares of 25p each.

On 18 July 1980, the capital was increased to £47,918,804.25 by the creation of an additional 51,675,217 Ordinary Shares of 25p each.

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On 18 July 1980, the capital was further increased to £55,000,000 by the creation of an additional 28,324,783 Ordinary Shares of 25p each.

By Special Resolution dated 27 May 1983, confirmed by an Order of the High Court of Justice, Chancery Division, dated 27 June 1983 the capital was reduced to £50,000,000 by the cancellation of the 1,000,000 4 per cent. Cumulative Preference Shares of £1 each and the 4,000,000 5.75 per cent. Cumulative Second Preference Shares of £1 each.


On 26 September 1985, the share capital was further increased to £75,000,000 by the creation of 100,000,000 Ordinary Shares of 25p each.

On 21 April 1986, the share capital was further increased to £77,200,000 by the creation of 2,200,000 Redeemable Shares of £1 each.



Company No. 288819

THE COMPANIES ACT 1929

  
CHAIRMAN

AND

THE COMPANIES ACTS 1985 AND 1989

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

CHARTERHOUSE SECURITIES HOLDINGS LIMITED

Incorporated 5 June 1934

Adopted by special resolution passed on 27 June 2000

THE COMPANIES ACT 1929  
AND  
THE COMPANIES ACTS 1985 AND 1989  
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PRIVATE COMPANY LIMITED BY SHARES  
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ARTICLES OF ASSOCIATION  
of  
CHARTERHOUSE SECURITIES HOLDINGS LIMITED

Incorporated 5 June 1934

Adopted by special resolution passed on 27 June 2000

PRELIMINARY

1. (A) In these articles:

"**Act**" means the Companies Act 1985 including any statutory modification or re-enactment of that Act for the time being in force;

"**articles**" means the articles of the Company;

"**clear days**" in relation to the period of notice means 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;

"**executed**" means any mode of execution;

"**holder**" means, in relation to any share, the member whose name is entered in the register of members as the holder of the share;

"**office**" means the registered office of the Company;

"**seal**" means the common seal of the Company;

"**secretary**" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary; and

"**United Kingdom**" means Great Britain and Northern Ireland.

- (B) Unless the context otherwise requires, words or expressions contained in the articles bear the same meaning as in the Act, but excluding any statutory modification of the Act not in force when these articles become binding on the Company.
  - (C) Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.
2. No regulations contained in any statute or subordinate legislation, including but not limited to the regulations contained in Table A in the schedule to the Companies (Table A to F) Regulations 1985 (as amended), apply as the regulations or articles of association of the Company.

#### PRIVATE COMPANY

3. The Company is a private company limited by shares and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

#### SHARE CAPITAL

4. The authorised share capital of the Company at the date of the adoption of this article is £77,200,000 divided into 300,000,000 Ordinary Shares of 25p each and 2,200,000 Redeemable Shares of £1 each and the said Redeemable Shares shall have the benefit of the rights and be subject to the restrictions set out in the following provisions of this Article:-

- (A) The holders of the Redeemable Shares:-
- (i) shall not be entitled to receive in respect thereof any dividend bonus or distribution whatsoever out of the reserves (including without limitation the share premium account and capital redemption reserve) profits or assets of the Company,
  - (ii) shall not be entitled to receive in respect thereof notice of or to attend or to vote at any general meeting of the Company,
  - (iii) shall be entitled in winding up (save in the case of a winding up for the purposes of reconstruction or amalgamation in the course of which such

holders receive in lieu of or in exchange for or upon cancellation of their holdings of Redeemable Shares, shares or other securities in the Company or any other company conferring on such holders rights at least as advantageous as those attaching to the Redeemable Shares) to repayment (such repayment only to be made on or after 28 April 1991) of the capital paid up or credited as paid up thereon in priority to the holders of any other class of share in the capital of the Company.

(B) Subject to the provisions of the Companies Act 1985 and to the provisions of paragraph (D) below the Redeemable Shares shall be redeemable at par as follows:-

- (i) upon the expiry of three months' notice in writing given to the Company by any of the holders thereof to expire at any time on or after 28 April 1991 calling upon the Company to redeem out of his holding the number of Redeemable Shares specified in his notice,
- (ii) upon the expiry of three months' notice in writing given to all or any of the holders of the Redeemable Shares by the Company to expire at any time on or after 28 April 1994 specifying in such notice the Redeemable Shares to be redeemed.

(C) Redemption shall take place at the registered office from time to time of the Company at a time specified by the Company for the purpose when the Company shall pay the monies due upon redemption by banker's draft against delivery of a receipt for the monies paid and the surrender for cancellation of the certificates for the shares to be redeemed.

A balance certificate shall be issued free of charge in respect of any part of a holding of Redeemable Shares not then being redeemed.

(D) Notwithstanding any other provision of these Articles of Association if notice of redemption shall be given by any holder of the Redeemable Shares of the Company pursuant to paragraph (B)(i) above or if the Company shall be wound up in circumstances that repayment of the capital paid up or credited as paid up on the Redeemable Shares is due to be made on or after 28 April 1991 to any holder of Redeemable Shares pursuant to paragraph (A)(iii) above and if such holder is liable or is claimed or alleged by the Company to be liable to forfeit all or any of his Redeemable Shares pursuant to the provisions of the Consideration Reduction Schedule as defined in an Agreement dated 28 April 1986 and made between the Company (1) and all the partners as at 25 April 1986 in the partnership firm of Tilney (2) such payment on redemption or repayment of capital in the winding up shall not be made in respect of those of his Redeemable Shares liable or claimed or alleged to be liable to forfeiture until the question of the liability to forfeiture is finally resolved either by agreement between the holder of such Redeemable Shares and the Company or following proceedings in the courts as the case may be and if following such resolution all or any of the Redeemable Shares are agreed or are held by an order of the court or an award to be forfeited by the holder thereof then payment in respect thereof either on

redemption or by way of repayment of capital in the winding up shall be made in respect of Redeemable Shares so agreed or held to be forfeited at the rate of 1p for every £1,000 or part thereof in nominal amount of such Redeemable Shares.

- (E) Notwithstanding any other provision of the Articles of Association of the Company the Directors of the Company may in their absolute discretion and without assigning any reason therefor decline to register any transfer of a Redeemable Share, whether or not it is a fully paid share.

#### VARIATION OF RIGHTS

5. (A) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Act, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

(B) Any meeting for such purposes shall be convened and conducted in all respects as nearly as possible in the same way as an extraordinary general meeting of the Company provided that no member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the class intended to be affected by the resolution, and that no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall be members holding or representing by proxy at least one-third of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those of such holders who are present shall be a quorum) and that a poll may be demanded in writing by any member present in person or by proxy and entitled to vote at the meeting.

(C) The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

6. The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

#### SHARE ALLOTMENT

7. (A) Subject to the provisions of the Act, the directors have general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued shares of the Company (whether forming part of the original or any

increased share capital) to such persons, at such times and on such terms and conditions as the directors may decide but no share may be issued at a discount.

- (B) The directors have general and unconditional authority, pursuant to section 80 of the Act, to exercise all powers of the Company to allot relevant securities for a period expiring on the fifth anniversary of the date of adoption of this article unless previously renewed, varied or revoked by the Company in general meeting.
  - (C) The maximum amount of relevant securities which may be allotted pursuant to the authority conferred by paragraph (B) is the amount of the authorised but unissued share capital of the Company at the date of adoption of this article.
  - (D) By the authority conferred by paragraph (B), the directors may before the authority expires make an offer or agreement which would or might require relevant securities to be allotted after it expires and may allot relevant securities in pursuance of that offer or agreement.
- 8. The pre-emption provisions of section 89(1) of the Act and the provisions of sub-sections (1) to (6) inclusive of section 90 of the Act do not apply to an allotment of the Company's equity securities.
  - 9. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
  - 10. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the articles.
  - 11. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully- or partly-paid shares or partly in one way and partly in the other.
  - 12. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety of that share in the holder.

#### SHARE CERTIFICATES

- 13. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number,

class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate for a share to one joint holder shall be a sufficient delivery to all of them.

14. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### LIEN

15. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.
16. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
17. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.
18. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### CALLS ON SHARES AND FORFEITURE

19. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in

whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

20. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.
22. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
23. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due all the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
24. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
25. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
26. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
27. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
28. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the



date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

29. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### TRANSFER OF SHARES

30. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
31. The directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, whether or not it is a fully-paid share or a share on which the Company has a lien.
32. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
33. The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the directors may determine.
34. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
35. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

#### TRANSMISSION OF SHARES

36. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only persons recognised by the Company as having any title to his interest; but nothing in the articles shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

37. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
38. A person becoming entitled to a share by reason of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

#### ALTERATION OF SHARE CAPITAL

39. The Company may by ordinary resolution:
- (a) increase its share capital by new shares of such amount as the resolution prescribes;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
  - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
40. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee 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 in or invalidity of the proceedings in reference to the sale.
41. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

## PURCHASE OF OWN SHARES

42. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

## GENERAL MEETINGS

43. All general meetings other than annual general meetings shall be called extraordinary general meetings.
44. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member may call a general meeting.

## NOTICE OF GENERAL MEETINGS

45. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of the annual general meeting or a meeting called for the passing of an elective resolution, by all the members entitled to attend and vote at that meeting; and
  - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being (i) a majority together holding not less than such percentage in nominal value of the shares giving that right as has been determined by elective resolution of the members in accordance with the Act, or (ii) if no such elective resolution is in force, a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
46. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
47. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all the persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.
48. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

49. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
50. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such day and at such time and place as the directors may determine.
51. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
52. If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
53. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
54. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
55. A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
  - (a) by the chairman; or
  - (b) by any member present in person or by proxy and entitled to vote.
56. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be

conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

57. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman 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.
58. A poll shall be taken in such manner as the chairman directs and he may appoint scrutineers (who need not be members) and fix a place and time for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
59. In the case of equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
60. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
61. No notice need be given of a poll not taken forthwith if the time and place at which it is taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place time at which the poll is to be taken.
62. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. If a resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly.

#### VOTES OF MEMBERS

63. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.
64. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

65. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
66. No member shall, unless the directors otherwise determine, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
67. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
68. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it.
69. An instrument appointing a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor.
70. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:
- (a) be left at or sent by post or by facsimile transmission to the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and at any time before the time appointed for the taking of the poll; or

- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

71. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

#### NUMBER OF DIRECTORS

72. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is not subject to a maximum and the minimum number is two.

#### ALTERNATE DIRECTORS

73. Any director (other than an alternate director) may appoint any person willing to act, whether or not he is a director of the Company and without the approval of the directors, to be an alternate director and may remove from office an alternate director so appointed by him.
74. An alternate director shall, whether or not he is absent from the United Kingdom, be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of directors or a committee of directors, either prospectively or retrospectively. An alternate director shall be entitled to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director.
75. An alternate director shall cease to be an alternate director if his appointor ceases to be a director.
76. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors. Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors.

77. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### POWERS OF DIRECTORS

78. Subject to the provisions of the Act, the memorandum and articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
79. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### DELEGATION OF DIRECTORS' POWERS

80. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the articles regulating the proceedings of directors so far as they are capable of applying. Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

#### APPOINTMENT AND REMOVAL OF DIRECTORS

81. The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
82. The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors.
83. The holder or holders of more than half in nominal value of the shares giving the right to attend and vote at general meetings of the Company may remove a director from office and appoint a person to be a director, but only if the appointment does not cause the number of directors to exceed a number fixed by or in accordance with the articles



as the maximum number of directors. The removal or appointment is effected by notice to the Company signed by or on behalf of the holder or holders. The notice may consist of several documents in similar form each signed by or on behalf of one or more holders and shall be left at or sent by post or facsimile transmission to the office or such other place designated by the directors for the purpose. The removal or appointment takes effect immediately on deposit of the notice in accordance with the articles or on such later date (if any) specified in the notice.

#### DISQUALIFICATION AND REMOVAL OF DIRECTORS

84. The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director; or
  - (d) he resigns his office by notice to the Company; or
  - (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and his alternate director (if any) shall not during such period have attended any such meetings instead of him, and the directors resolve that his office be vacated; or
  - (f) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors; or
  - (g) he is removed from office by notice given under article 83.

#### REMUNERATION OF DIRECTORS

85. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.
86. A director who, at the request of the directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors may decide.

#### DIRECTORS' EXPENSES

87. The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares

or of debentures of the Company or otherwise in connection with the discharge of their duties.

#### DIRECTORS' APPOINTMENTS AND INTERESTS

88. Subject to the provisions of the Act, the directors may appoint one or more of their body to the office of managing director or to any other executive office under the Company, and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall determine if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.
89. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
  - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
90. For the purposes of article 89:
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

## DIRECTORS' GRATUITIES AND PENSIONS

91. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

## PROCEEDINGS OF DIRECTORS

92. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Every director shall receive notice of a meeting, whether or not he is absent from the United Kingdom. A director may waive the requirement that notice be given to him of a meeting of directors or a committee of directors, either prospectively or retrospectively. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
93. A director or his alternate director may participate in a meeting of directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of directors is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
94. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
95. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for

the meeting, the directors present may appoint one of their number to be chairman of the meeting.

96. All acts done by a meeting of directors, or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
97. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it has been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director it need not be signed by the alternate director in that capacity.
98. If and for so long as there is a sole director of the Company:
- (a) he may exercise all the powers conferred on the directors by the articles by any means permitted by the articles or the Act;
  - (b) for the purpose of article 94 the quorum for the transaction of business is one; and
  - (c) all other provisions of the articles apply with any necessary modification (unless the provision expressly provides otherwise).
99. Without prejudice to the obligation of a director to disclose his interest in accordance with section 317 of the Act, a director may vote at any meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. The director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted.

#### SECRETARY

100. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they think fit; and any secretary so appointed may be removed by the directors.

#### MINUTES

101. The directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the directors; and

- (b) of all proceedings of meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### THE SEAL

102. The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed, and unless otherwise so determined every such instrument shall be signed by a director and by the secretary or by a second director.

#### DIVIDENDS

103. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
104. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
105. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
106. The directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share.
107. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to such distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member

upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

108. Any dividend or other moneys payable on or in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
109. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
110. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

#### ACCOUNTS

111. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

#### CAPITALISATION OF PROFITS

112. The directors may with the authority of an ordinary resolution of the Company:
  - (a) subject as provided in this article, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
  - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be

applied in paying up unissued shares to be allotted to members credited as fully paid;

- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly-paid shares rank for dividend, so long as such shares remain partly paid, only to the extent that such partly-paid shares rank for dividend;
- (d) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and
- (e) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they may be entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

#### NOTICES

- 113. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 114. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address.
- 115. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting, and, where requisite, of the purposes for which it was called.
- 116. Every person who becomes entitled to any share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title.
- 117. A notice sent to a member (or other person entitled to receive notices under the articles) by post to an address within the United Kingdom is deemed to be given:
  - (a) 24 hours after posting, if pre-paid as first class, or
  - (b) 48 hours after posting, if pre-paid as second class.

A notice sent to a member (or other person entitled to receive notice under the articles) by post to an address outside the United Kingdom is deemed to be given 72 hours after posting, if pre-paid as airmail. Proof that an envelope containing the notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was

given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left.

118. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description, at the address, if any, supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

#### WINDING UP

119. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the 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 in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### INDEMNITY

120. Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, each person who is a director, alternate director or secretary of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the proper execution of his duties or the proper exercise of his powers, authorities and discretions including, without limitation, a liability incurred:
- (a) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
  - (b) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
121. The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was:
- (a) a director, alternate director, secretary or auditor of the Company or of a company which is or was a subsidiary undertaking of the Company or in which the Company has or had an interest (whether direct or indirect); or



- (b) trustee of a retirement benefits scheme or other trust in which a person referred to in the preceding paragraph is or has been interested,

indemnifying him against liability for negligence, default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company.

#### SOLE MEMBER

122. If and for so long as the Company has only one member:

- (a) in relation to a general meeting, the sole member or a proxy for that member or (if the member is a corporation) a duly authorised representative of that member is a quorum and article 49 is modified accordingly;
- (b) a proxy for the sole member may vote on a show of hands and article 63 is modified accordingly;
- (c) the sole member may agree that any general meeting, other than a meeting called for the passing of an elective resolution, be called by shorter notice than that provided for by the articles; and
- (d) all other provisions of the articles apply with any necessary modification (unless the provision expressly provides otherwise).