

REGISTERED NUMBER: 290939

THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
WRITTEN RESOLUTIONS

OF

LILLYWHITES LIMITED

Pursuant to section 318A of the Companies Act 1985 we the undersigned, being all members of the Company who at the date of this resolution are entitled to attend and vote at a general meeting of the Company, resolve:

Special Resolutions

1. THAT the Memorandum of Association of the Company be amended in the manner following, that is to say by the deletion of Clause 3(1)(i) and the redesignation of the following Clauses; and
2. THAT the regulations contained in the printed document marked 'A' submitted to this meeting and, for the purpose of identification, signed 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 the existing Articles thereof.

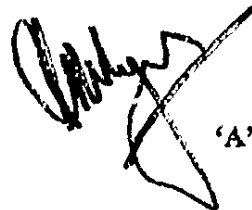
Dated 14th day of July 1995

  
A P Meyer  
Director

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THE COMPANIES ACT 1985

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

(Adopted by Written Resolution passed on 14 July 1995)

OF

LILLYWHITES LIMITED

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PRELIMINARY

1. Table A

The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended so as to affect companies first registered on the date of the adoption of these Articles) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or Articles of Association. References herein to regulations are to regulations in the said Table A unless otherwise stated.

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NOTES:

1. The name of the Company changed from Lillywhites Holdings Limited by Special Resolution dated 16 April 1940.



## SHARE CAPITAL

### 2. (a) Authorised Share Capital

The share capital of the Company at the date of the adoption of these Articles is £450,000 divided into 3,500,000 Ordinary Shares of 10p each and 200,000 6% Cumulative Preference Shares of 50p each.

### (b) The rights attaching to the Preference Shares are as follows:-

(i) The Preference Shares shall entitle the holders to receive out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or other period for which accounts of the Company are made up and in priority to the payment of dividend on any other class of shares of the Company a fixed cumulative preferential dividend on the capital for the time being paid up thereof which dividend shall up to and including the 14th day of June, 1961, be at the rate of 5½ per cent, per annum and shall as from the 15th day of June, 1961 be at the rate of 6 per cent, per annum and be payable half-yearly on the 15th day of June and 15th day of December each year.

(ii) On a winding up or other return of capital the assets of the Company available for distribution amongst the members shall be applied in priority to any payment in respect of any other class of shares of the Company in paying to the holders of the Preference Shares the sum per share mentioned in paragraph (iii) below together with a sum equal to any arrears or accruals of the fixed dividend thereon (less an amount equal to income tax thereon at the standard rate in force on the date of payment, to be calculated down to the date of return of capital and to be payable irrespective of whether or not such dividend has been declared or earned.

(iii) The said sum per Share payable in respect of the Preference Shares on winding-up or a return of capital shall save as hereinafter



provided be such of the two undermentioned sums as shall be the greater:-

(a) a sum per Share (which sum shall be certified by the Company's Auditors for the time being) equal to the average of the means of the daily quotations at which the Preference Shares shall have been quoted on The Stock Exchange, London during the six months immediately preceding the relevant date (as hereinafter defined) after first deducting from the mean on each day an amount equal to all arrears and accruals of the fixed dividend (whether or not declared or earned) on such Share up to that day less an amount equal to income tax on such arrears and accruals at the standard rate in force on that day.

(b) The nominal amount per Share for the time being paid up thereon.

Provided that if capital is returned to the holders of the Preference Shares in the course of the winding-up of the Company other than a Members' voluntary winding-up then the sum specified in the foregoing sub-paragraph (b) shall be deemed to be the greater of the two above mentioned sums and provided also that if on a return of capital a part only of the amount for the time being paid up on the Preference Shares is to be repaid then a proportionate part of the said sum per Share shall be payable. The relevant date for the foregoing purposes shall be 30 days before the date of the Notice convening the meeting to pass the Resolution for the winding-up of the Company or the return of capital.

(iv) The Preference Shares shall not confer the right to any further or other participation in the profits or assets of the Company.



(v) The holders of the Preference Shares shall not be entitled to receive notice of or to be present or vote either in person or by proxy, at any General Meeting of the Company by virtue of or in respect of their holdings of Preference Shares unless:

(a) their fixed preferential dividend or any part thereof shall at the date when the Notice convening the meeting is sent out be six months in arrears, or

(b) the business of the meeting includes the consideration of a Resolution increasing the limit prescribed in the Articles of Association of the Company on the borrowing powers exercisable by the Directors or for the winding up of the Company or the reduction of the capital of the Company by repayment of any capital in respect of the Preference Shares or of any Resolution directly and adversely affecting the rights or privileges of the holders of the Preference Shares in which event such holders shall have the right to vote only on such Resolution.

3. Sections 80 and 89

(a) The Directors are generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 to exercise for a period of five years from the date of incorporation of these Articles all the powers of the Company to allot relevant unissued securities. By such authority the Directors may make offers or agreements which would or might require the allotment of relevant securities after the expiry of such period.

(b) Subject to Article 3(a) above all unissued shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper and Section 89(1) of the Companies Act 1985 shall not apply.



## PROCEEDINGS AT GENERAL MEETINGS

### 4. Written Resolutions

In the case of a corporation a resolution in writing may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be extended accordingly. Regulation 53 (as extended) shall apply mutatis mutandis to resolutions in writing of any class of members of the Company.

### 5. Proxies

An instrument appointing a proxy (and, where it is signed on behalf of the appointor by an attorney, the letter or power of attorney or duly certified copy thereof) must either be delivered at such place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting (or, if no place is so specified, at the registered office) before the time appointed for holding the meeting or adjourned meeting, or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or be delivered to the Secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll. The instrument shall, unless the contrary is stated thereon, be valid for any adjournment of the meeting as well as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. Regulation 62 shall not apply.

## SINGLE MEMBER COMPANY

6. If at any time, and for as long as, the company has a single member,



all provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

#### NUMBER OF DIRECTORS

7. The Directors shall not be less than one in number. Regulation 64 shall be modified accordingly.

#### DELEGATION OF DIRECTORS' POWERS

8. (a) The Directors may delegate any of their powers or discretions (including, without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to :-

(i) committees consisting of one or more Directors; and

(ii) one or more other named person or persons to be co-opted as hereinafter provided, if thought fit.

This power is in addition to the powers to delegate contained in Regulation 72.

- (b) Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than



Directors and may provide for members who are not Directors to have voting rights as members of the committee, but so that:-

- (i) the number of members who are not Directors shall be less than one-half of the total number of members of the committee; and
- (ii) no resolution of the committee shall be effective unless passed by a majority including at least one member of the committee who is a Director. Regulation 72 shall be modified accordingly.

#### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

9. The Directors shall not be subject to retirement by rotation and references thereto in Regulations 73 to 80 shall be disregarded.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

10. The office of a Director shall be vacated:-
- (i) in any of the events specified in Regulation 81;
  - (ii) if he shall in writing resign;
  - (iii) if he shall be removed from office by notice in writing signed by all his co-Directors (being at least two in number), but, if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.



## **REMUNERATION OF DIRECTORS**

11. Any Director who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors in their absolute discretion may determine. Regulation 82 shall be extended accordingly.

## **PROCEEDINGS OF DIRECTORS**

12. On any matter in which a director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 98 shall not apply.

## **TELEPHONE BOARD MEETINGS**

13. All or any of the Directors may participate in a meeting of the Board of Directors, or any committee of the Directors, by means of a conference telephone or any communications equipment which allows all persons participating in the meeting to hear each other. A person so participating and who would be entitled to attend a meeting of the board, or any committee of the Directors, and to vote and count in the quorum thereat shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those so participating is assembled or, if there is no such group, where the person or persons



participating in the meeting and carrying the largest number of voting rights exercisable at the meeting is or are present, or if no such person is, or persons are, present, where the Chairman of the meeting is present and the word "meeting" shall be construed accordingly.

#### THE SEAL

14. If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 of Table A shall not apply to the Company.

#### DIVIDENDS

15. Subject to the provisions of the Act, the Directors may declare interim and final dividends and Regulation 103 of Table A shall apply to the Company. Regulation 102 of Table A shall not apply to the Company.

#### INDEMNITY

16. Subject to the provisions of and so far as may be permitted by law, every Director, Auditor, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or



purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Regulation 118 shall not apply.

### INSURANCE

17. (a) Without prejudice to the provisions of Regulation 87 or Article 16, the Directors shall have the power to purchase and maintain insurance for or for the benefit of any person or persons who are or were at any time Directors, officers, employees, or Auditors of any Relevant Company (as defined in paragraph (b) of this Article) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- (b) For the purpose of paragraph (a) of this Article, "Relevant Company" shall mean the Company, any holding company of the Company or



any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of any such other body.

#### OVERRIDING PROVISIONS

18. Whenever FORTE Plc (hereinafter called "the Parent Company"), or any subsidiary undertaking of the Parent Company, shall be the holder of not less than 90 per cent. of the issued Ordinary Shares, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:-

- (i) the Parent Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed, but, if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- (ii) no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company;
- (iii) the immediate holding company for the time being of the Company may at any time transfer all or any shares to any person and the provisions of Regulation 24 shall not apply to such transfer;



- (iv) any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its Directors or by any one of its Directors and its Secretary or some other person duly authorised for the purpose. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of the Parent Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.