

No. 291831

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THE COMPANIES ACTS 1948 TO 1967

COMPANY LIMITED BY SHARES

## Special Resolutions

OF

## CLUTSOM & KEMP LIMITED

(Passed 23rd January, 1968)

At the thirty-third ANNUAL GENERAL MEETING of the Company,  
duly convened and held at the Grand Hotel, Granby Street, Leicester,  
on 23rd January, 1968, the following Resolutions were passed as  
SPECIAL RESOLUTIONS:—

### SPECIAL RESOLUTIONS

1. THAT the name of the Company be changed to  
"CLUTSOM-PENN INTERNATIONAL LIMITED".
2. THAT the regulations contained in the printed document  
produced to the Meeting and for the purpose of identification  
signed by the Chairman thereof be approved and adopted as the  
Articles of Association of the Company in substitution for and  
to the exclusion of the existing Articles of Association thereof.

Donald Perrott

Chairman.



THE COMPANIES ACTS, 1929 AND 1948 TO 1967.

COMPANY LIMITED BY SHARES.

*gwp* **Articles of Association**  
OF  
**Clutsom-Penn International Limited**  
(Adopted by Special Resolution passed on 23rd January, 1968.)

PRELIMINARY.

1. The regulations in Table A in the first schedule to the Companies Acts, 1929 and 1948, shall not apply to the Company.

2. In these Articles, if not inconsistent with the subject or context, the following words shall bear the following meanings:—

WORDS.	MEANINGS.
The Acts ...	The Companies Acts, 1948 to 1967, and every statutory modification or re-enactment thereof for the time being in force.
These Articles ...	These Articles of Association as originally framed or as from time to time altered.
Office ...	The registered office for the time being of the Company.
Seal ...	The common seal of the Company.
The United Kingdom	Great Britain and Northern Ireland.
Paid up ...	Paid up or credited as paid up.
In writing ...	Written, printed or lithographed, or visibly expressed in all or any of those or any other modes of representing or reproducing words.

3204  
*Donald Kendall*  
(CHAIRMAN)

Words importing the singular number shall include the plural number, and *vice versa*.

Words importing the masculine gender shall include the feminine gender.

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

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

#### CAPITAL.

3. (A) The share capital of the Company as at the date of the adoption of these Articles as the Articles of Association of the Company is £2,400,000, divided into 400,000 5 per cent. Cumulative Preference Shares of £1 each, and 8,000,000 Ordinary Shares of 5s. each.

(B) The said Cumulative Preference Shares shall confer on the holders thereof the right to a fixed cumulative preferential dividend at the rate of 5 per cent. per annum on the capital paid up thereon and in a winding up to repayment of the capital paid up thereon, together with all arrears of preferential dividend, whether earned or declared or not, down to the date of repayment of capital in priority to the Ordinary Shares, but shall not confer the right to any further participation in the profits or assets.

4. Without prejudice to any special rights for the time being conferred on the holders of any class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is required by the next following Article), any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine; and any Preference Share may be issued on the terms that it is, or at the option of the Company is to be liable, to be redeemed, subject to the provisions of the Acts, on such terms and in such manner as may be provided by these Articles.

## VARIATION OF RIGHTS.

5. Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-fourths of the issued shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of the class, but not otherwise. To every such separate meeting all the provisions of these Articles relating to General Meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal amount 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 holders who are present in person or by proxy shall be a quorum), and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

6. The special rights conferred upon the holders of any class of shares issued with preferred or other special rights shall be deemed to be varied by the reduction of the capital paid up on such shares and by the creation of further shares ranking in priority thereto, but shall not (unless otherwise expressly provided by these Articles or by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

## SHARES.

7. Subject to the provisions of these Articles relating to new shares, the unissued shares shall be at the disposal of the Directors, and they may (subject to the provisions of the Acts) allot, grant options over, or otherwise dispose of them to such persons at such times and on such terms as they think proper, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Acts.

8. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares of the Company or of its holding company

(if any), nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company (if any), but nothing in this Article shall be taken to prohibit transactions not prohibited by the Acts.

9. In addition to all other powers of paying commissions, the Company may exercise the powers conferred by the Acts of paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing so to do, whether absolutely or conditionally, and any such commissions may be satisfied by the payment of cash or by the allotment of fully or partly paid shares of the Company, or partly in the one way and partly in the other: Provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Acts and shall not exceed 10 per cent. of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent thereto. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

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

#### CERTIFICATES.

11. (A) Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to one certificate for all his shares of each class, or upon payment of such sum, not exceeding one shilling for every certificate after the first, as the Directors shall from time to time determine, to several certificates, each for one or more of his shares. Every certificate shall be issued within two months after allotment or the lodgment with the Company of the transfer of the shares, not being a transfer which the Company is for any reason entitled to refuse to register and does not register, unless the conditions of issue of such shares otherwise provide, and shall be under the Seal, and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon. The Company shall not be bound to register more than four persons as the joint holders of any share or shares and in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate

... therefor, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all. Where a Member transfers part of his holding of shares he shall be entitled to a certificate for the balance of his holding without charge.

(b) If the Directors so resolve, share certificates and, subject to the provisions of any instrument constituting or securing the same, certificates issued under the Seal in respect of any debentures, need not be signed or countersigned, or the requisite signatures may be affixed thereto by such mechanical means as may be specified in such resolution. Until otherwise so resolved and subject as regards certificates for debentures to any conditions applicable thereto, every such certificate shall bear the autographic signature of one Director and the Secretary.

12. If a share certificate be lost, destroyed, defaced or worn out, it may be renewed on payment of such fee (if any) not exceeding one shilling, and (in case of loss or destruction) on such terms (if any) as to evidence and indemnity as the Directors think fit, and (in case of defacement or wearing out) on delivery up of the old certificate.

#### LIEN.

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) registered in the name of a single Member for all the debts and liabilities of such Member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article.

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

payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares.

15. The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### CALLS ON SHARES.

16. The Directors may, subject to the provisions of these Articles and to any conditions of allotment, from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the amount of the shares or by way of premium), provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share shall exceed one-fourth of the nominal amount of the share or be payable at less than fourteen days from the date appointed for payment of the last preceding call, and each Member shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares.

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

18. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at the rate of 10 per cent. per annum or at such lesser rate as the Directors may agree to accept, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

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

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

21. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and the Company may pay interest upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, at such rate as the Member paying such sum and the Directors agree.

#### FORFEITURE OF SHARES.

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

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

24. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and



interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect, and such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture.

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

26. A Member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest thereon at the rate of 10 per cent. per annum from the date of forfeiture until payment, and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture.

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

#### TRANSFER OF SHARES.

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

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

30. The Directors may, in their absolute discretion, and without assigning any reason therefor, refuse to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve, and they may also refuse to register any transfer of shares on which the Company has a lien.

31. The Directors may decline to recognise any instrument of transfer, unless:—

(A) the instrument of transfer duly stamped is deposited at the Office or such other place as the Directors may appoint, accompanied by the certificate for the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and

(B) the instrument of transfer is in respect of only one class of share.

32. If the Directors refuse to register a transfer of any shares, 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 thirty days in any year) as the Directors may from time to time determine.

34. No fee shall be charged in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares.

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

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

## TRANSMISSION OF SHARES.

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

38. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the holder thereof.

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

40. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to receive and may give a discharge for all benefits arising or accruing on or in respect of the share, but he shall not be entitled in respect of that share to receive notices of or to attend or vote at meetings of the Company, or, save as aforesaid, to any of the rights or privileges of a Member until he shall have become a Member in respect of the share.

## STOCK.

41. The Company may by Ordinary Resolution convert any paid-up shares into stock, and re-convert any stock into paid-up shares of any denomination.

42. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations, as would have applied to the shares from which the stock arose if they

had not been converted, or as near thereto as circumstances admit, but the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, provided that such minimum shall not exceed the nominal amount of each of the shares from which the stock arose.

43. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages in all respects as if they held the shares from which the stock arose.

44. All the provisions of these Articles applicable to paid-up shares shall apply to stock, and in all such provisions the words "share" and "Member" shall include "stock" and "Stockholder" respectively.

#### INCREASE OF CAPITAL.

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

46. The Company may by Ordinary Resolution direct that the new shares, or any of them, shall be offered in the first instance to the Members, or to any class thereof for the time being, in proportion (as nearly as circumstances may admit) to the number of shares, or shares of the class, held by them respectively, or make any other provisions as to the issue of the new shares. If no such direction is made, or so far as the same shall not extend, the new shares shall be at the disposal of the Directors, who may (subject to the provisions of the Acts) allot, grant options over, or otherwise dispose of them to such persons and on such terms as they shall think fit.

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

#### ALTERATION OF CAPITAL.

48. The Company may by Ordinary Resolution:—

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

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

and may by Special Resolution reduce its share capital and any capital redemption reserve fund and any share premium account in any manner authorised by the Acts.

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

#### GENERAL MEETINGS.

49. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Subject as aforesaid and to the provisions of the Acts, the Annual General Meeting shall be held at such time and place as the Directors may determine. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

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

#### NOTICE OF GENERAL MEETINGS.

51. An Annual General Meeting and an Extraordinary General Meeting for the passing of a Special Resolution shall be called by twenty-one days' notice at the least, and all other Extraordinary General Meetings shall be called by fourteen days' notice at the least. The notice shall be exclusive of the day on which it is served, or deemed to be served, and of the day for which it is given. Every notice shall be in writing and shall specify the place, the day and the time of meeting, and in the case of special business the general nature of such business, and in the case of an Annual General Meeting shall specify the meeting as such. Notices shall be given in manner hereinafter mentioned to all the Members, other than those who under the provisions of these Articles or the conditions of issue of the shares held by them are not entitled to receive the notice, and to the Auditors for the time being of the Company.

52. In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

53. It shall be the duty of the Company, subject to the provisions of the Acts, on the requisition in writing of such number of Members as is specified in the Acts and (unless the Company otherwise resolves) at the expense of the requisitionists:—

- (A) to give to Members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting, and
- (B) to circulate to Members entitled to have notice of any General Meeting sent to them any statement of not more than one thousand words with respect of the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

54. 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.

55. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall also be deemed special, with the exception of declaring dividends, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the appointment of Directors in the place of those retiring by rotation or otherwise and the fixing of the remuneration of the Auditors.

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

57. No business shall be transacted at any General Meeting unless a quorum is present. Save as in these Articles otherwise provided, two Members present in person and entitled to vote at the meeting shall be a quorum for all purposes.

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

59. The Chairman (if any) of the Board of Directors, or in his absence some other Director nominated by the Directors, shall preside as Chairman at every General Meeting of the Company, but if at any meeting neither the Chairman nor such other Director be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the Directors present shall choose some Director present to be Chairman, or if no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose some Member present to be Chairman.

60. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no

business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, seven clear days' notice at the least, specifying the place, the day and the time of the adjourned meeting shall be given, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment.

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

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

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

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

63. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the result of the voting.



64. If a poll is duly demanded, it shall be taken in such manner as the Chairman may direct (including the use of ballot or voting papers or tickets), and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may, in the event of a poll, appoint scrutineers (who need not be Members), and may fix some place and time for the purpose of declaring the result of the poll.

65. 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 at such time and place as the Chairman directs not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded.

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

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

68. A demand for a poll may be withdrawn and no notice need be given of a poll not taken immediately.

#### VOTES OF MEMBERS.

69. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands, every Member entitled to vote, who (being an individual) is present in person or (being a corporation) is present by a representative or proxy not being himself a Member, shall have one vote. On a poll every Member entitled to vote who is present in person or by proxy in the case of a corporation by a representative or proxy shall have one vote for every four Ordinary Shares and one vote for every 5 per cent. Cumulative Preference Share of which he is the holder Provided that the holders of the said 5 per cent. Cumulative Preference Shares shall have no right to vote either in person or by proxy at any General Meeting by virtue or in respect of their holding of Preference Shares unless

- (a) as at the date of the notice convening such meeting their fixed preferential dividend or any part thereof is six months in arrear (and so that for this purpose the said fixed

preferential dividend shall be deemed to be payable half-yearly on the 1st day of March and the 1st day of September), or

- (b) a resolution is to be proposed for winding up the Company voluntarily otherwise than in connection with a scheme for reconstruction or amalgamation not involving the repayment in cash to the holders of the said 5 per cent. Cumulative Preference Shares of the capital for the time being paid up thereon, or
- (c) a resolution is to be proposed for reducing the capital for the time being paid up on the said 5 per cent. Cumulative Preference Shares.

In the case of (a) the holders of the said 5 per cent. Cumulative Preference Shares shall be entitled to one vote for every such Preference Share of which he is the holder and in cases (b) and (c) the holders of the said 5 per cent. Cumulative Preference Shares shall be entitled to such aggregate number of votes (to be apportioned between them in proportion to the number of 5 per cent. Cumulative Preference Shares held by them) as shall equal two-thirds of the aggregate number of votes capable of being cast on such resolution by the Members in respect of the shares other than 5 per cent. Cumulative Preference Shares held by them and for the purposes of this proviso fractions of a vote shall be taken into account.

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

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

72. No Member shall, unless the Directors otherwise determine, be entitled to vote at any General Meeting either in person or by proxy, or to exercise any privilege as a Member, unless all calls or other sums presently payable by him in respect of shares of the Company have been paid.

73. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

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

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

76. The instrument appointing a proxy shall be in writing in the usual common form, or such other form as may be approved by the Directors, and shall be signed by the appointor or by his attorney duly authorised in writing, or if the appointor is a corporation shall be either under its common seal or under the hand of an officer or attorney duly authorised in writing.

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

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

79. The Directors may at the expense of the Company send, by post or otherwise, to the Members instruments of proxy (with or without provision for their return prepaid) for use at any General Meeting or at any separate meeting of the holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.

#### CORPORATIONS ACTING BY REPRESENTATIVES.

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

#### DIRECTORS.

81. Unless and until otherwise determined by the Company by Ordinary Resolution, the number of Directors shall be not less than three nor more than ten.

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

83. The Directors (other than the Chairman, any Managing Director and any other Director holding an executive or salaried position in the Company) shall be paid out of the funds of the Company, by way of remuneration for their services at the rate of £400 per annum for each Director and such further remuneration (if any) as the Company by Ordinary Resolution may from time to time determine, and such further remuneration shall, in default of agreement to the contrary, be divided between such Directors equally. The Directors' remuneration and further remuneration aforesaid shall be deemed to accrue from day to day. The Directors shall also be entitled to be

paid all travelling and hotel and other expenses properly incurred by them in connection with the business of the Company, or in attending and returning from meetings of the Directors or of committees of the Directors or General Meetings.

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

85. The Company shall not make a loan to any person who is its Director or a director of its holding company (if any), nor enter into any guarantee or provide any security in connection with a loan made to such a person by any other person, but nothing in this Article shall prohibit anything not prohibited by the Acts.

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

87. An alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate

Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the last-mentioned remuneration as shall be agreed between the alternate Director and the Director appointing him.

88. A Director, including an alternate Director, may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.

89. No Director or intending Director, including an alternate Director, shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way, whether directly or indirectly, interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

90. Any Director, including an alternate Director, may continue to be or become a director or other officer or member of or otherwise interested in any other company promoted by the Company or in which the Company may be interested, as a member or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or other officer or member of, or from his interest in, any such other company. The Directors may exercise the voting power conferred by the shares of any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers of such company, or voting or providing for the payment of remuneration to the directors or other officers of such company), and any Director may vote in favour of the exercise of such voting rights, notwithstanding that he may be, or be about to be, appointed a director or other officer of such other company, or is or may become interested in the exercise of such voting rights.

91. A Director, including an alternate Director, who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at

a meeting of Directors. In the case of a proposed contract the declaration shall be made at the meeting of the Directors at which the question of entering into the contract is first taken into consideration, or, if the Director was not at the date of that meeting interested in the proposed contract, at the next meeting of Directors held after he became so interested. In a case where the Director becomes interested in a contract after it is made the declaration shall be made at the first meeting of the Directors held after the Director becomes so interested. In a case where the Director is interested in a contract which has been made before he was appointed a Director the declaration shall be made at the first meeting of the Directors held after he is so appointed.

92. For the purposes of the last preceding Article a general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with the company or firm shall (if such Directors shall give the same at a meeting of the Directors or shall take reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given) be deemed a sufficient declaration of interest in relation to any contract so made.

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

93. Subject to the provisions of these Articles at the Annual General Meeting in every year, one-third of the Directors who are subject to retirement by rotation, or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire from office: Provided always that if in any year the number of Directors who are subject to retirement by rotation shall be two, one of such Directors shall retire, and if in any year there shall be only one Director who is subject to retirement by rotation, that Director shall retire. A Director retiring at a meeting as aforesaid shall retain office until the dissolution of that meeting.

94. Subject to the provisions of the Acts and of these Articles, the Directors to retire in every year shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Subject as aforesaid, a retiring Director shall be eligible for re-appointment.

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

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

97. At a General Meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be made, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it, and for the purposes of this Article a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

98. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office.

99. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of the Acts and of these Articles, any Director so appointed shall hold office only until the conclusion of the next following Annual General Meeting, and shall be eligible for re-appointment at that meeting. Any Director who retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

100. Without prejudice to the provisions of the Acts, the Company may, by Extraordinary Resolution, remove a Director before the expiration of his period of office (but such removal shall be without prejudice to any claim such Director may have for breach of any contract of service between him and the Company) and may, by



Ordinary Resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or re-appointed a Director.

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

- (A) if (not being a Director who has agreed to serve as a Director for a fixed term) he resigns his office by notice in writing under his hand sent to or left at the Office;
- (B) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (C) if he becomes of unsound mind;
- (D) if he is absent from meetings of the Directors for six successive months without leave, and his alternate Director (if any) shall not during such period have attended in his stead, and the Directors resolve that his office be vacated;
- (E) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, any order made under any provisions of the Acts.

#### RETIREMENT OF DIRECTORS.

102. Unless and until otherwise determined by the Company by Ordinary Resolution, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy and any Director retiring or liable to retire under the provisions of these Articles and any person proposed to be appointed a Director shall be capable of being re-appointed or appointed, as the case may be, as a Director notwithstanding that at the time of such re-appointment or appointment he has attained the age of seventy, and no special notice need be given of any resolution for the re-appointment or appointment or approving the appointment as a Director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the Members notice of the age of any Director or person proposed to be re-appointed or appointed as such. For the purposes of this Article the expression "Director" shall include an alternate Director.

Ordinary Resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed or re-appointed a Director.

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

- (A) if (not being a Director who has agreed to serve as a Director for a fixed term) he resigns his office by notice in writing under his hand sent to or left at the Office;
- (B) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (C) if he becomes of unsound mind;
- (D) if he is absent from meetings of the Directors for six successive months without leave, and his alternate Director (if any) shall not during such period have attended in his stead, and the Directors resolve that his office be vacated;
- (E) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, any order made under any provisions of the Acts.

#### RETIREMENT OF DIRECTORS.

102. Unless and until otherwise determined by the Company by Ordinary Resolution, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy and any Director retiring or liable to retire under the provisions of these Articles and any person proposed to be appointed a Director shall be capable of being re-appointed or appointed, as the case may be, as a Director notwithstanding that at the time of such re-appointment or appointment he has attained the age of seventy, and no special notice need be given of any resolution for the re-appointment or appointment or approving the appointment as a Director of a person who shall have attained the age of seventy, and it shall not be necessary to give to the Members notice of the age of any Director or person proposed to be re-appointed or appointed as such. For the purposes of this Article the expression "Director" shall include an alternate Director.

## EXECUTIVE DIRECTORS.

103. The Directors may from time to time appoint any one or more of their body to be the holder of any executive office whether or not for a fixed period and on such terms as they think fit. A Director so appointed shall not be subject to retirement by rotation and shall not be taken into account in determining the rotation of retirement of Directors, but shall (subject to the terms of any contract between him and the Company and to the provisions of these Articles) be subject to the same provisions as to vacation of office as the other Directors of the Company, and if he shall vacate the office of Director or (subject as aforesaid) if the Directors resolve that his term of office as the holder of any such executive office be determined, his appointment as such shall *ipso facto* be determined.

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

## POWERS OF DIRECTORS.

105. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Acts or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles and of the Acts, and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

106. The Directors may establish any councils, committees, local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any council, committee, local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to

sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

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

108. The Directors may cause to be kept in any part of Her Majesty's Dominions outside the United Kingdom, the Channel Islands or the Isle of Man in which the Company transacts business a Branch Register or Registers of Members resident in such part of the said Dominions, and the Directors may (subject to the provisions of the Acts) make and vary such regulations as they may think fit respecting the keeping of any such Register.

109. The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or any such subsidiary or of any of the predecessors in business of the Company or any such other company as aforesaid, or who may be or have been Directors or officers of the Company, or of any such other company as aforesaid and who hold or have held executive positions or agreements for service with the Company or any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the

interests and well-being of the Company or of any such other company as aforesaid, or of any such person as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Subject to particulars with respect to the proposed payment being disclosed to the Members of the Company and to the proposal being approved by the Company by Ordinary Resolution, if the Acts shall so require, any Director who holds or has held any such executive position or agreement for services shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument. A Director may vote at a meeting of Directors in respect of any matter referred to in this Article, notwithstanding that he is personally interested in such matter, and shall be counted in the quorum present at the meeting.

110. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities. The Directors shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that, save with the previous sanction of an Ordinary Resolution of the Company, no money shall be borrowed if the aggregate principal amount (including any premium payable on final repayment) outstanding of all moneys borrowed by the Company and of all moneys borrowed by all subsidiaries for the time being of the Company (excluding amounts borrowed by any such company from any other of them) then exceeds or would as a result of such borrowing exceed an amount equal to one and one-half times the aggregate of:—

- (A) the amount paid up on the share capital of the Company, and
- (B) the amounts standing to the credit of the consolidated capital and revenue reserves (including any share premium account, capital redemption reserve fund and credit balance on profit and loss account, but deducting therefrom any debit balance on profit and loss account) of the Company and its subsidiaries

all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries but:—

- (a) adjusted as may be appropriate to reflect any variation since the date of such balance sheet in the amount of such paid up share capital or the amounts standing to the credit of such consolidated reserves and any alteration thereto which would result from any transaction contemplated at the time when the said aggregate is being computed;
- (b) deducting therefrom any amounts attributable to goodwill and other intangible assets;
- (c) excluding therefrom any sums set aside for taxation and amounts attributable to minority interest in subsidiaries;
- (d) deducting therefrom any share capital or reserves arising from the writing up after 31st August, 1965 (or in the case of a company having become or becoming a subsidiary after that date subsequent to the date of its having become or becoming a subsidiary, except to the extent that such writing up represents the excess of the cost of acquiring the shares in any such subsidiary over the net book value of the assets of such subsidiary attributable to the shares acquired at the date of acquisition) of the book value of the assets of the Company or any subsidiary; and
- (e) after making such other adjustments (if any) as the Company's Auditors consider appropriate.

For the purpose of the foregoing provisions:—

- (i) the principal amount of any moneys borrowed and the nominal amount of any share capital or debentures (including in any such case any premium payable on final repayment) the repayment whereof is guaranteed by the Company or by a subsidiary shall (if not otherwise taken into account) be deemed to be moneys borrowed by the company giving such guarantee;
- (ii) the principal amount owing (otherwise than to the Company or a subsidiary) on any debentures howsoever issued (including any premium payable on final repayment) shall (if not otherwise taken into account) be deemed to be moneys borrowed; and
- (iii) the principal amount raised by the acceptance of bills by the Company or any subsidiary not being acceptances

of trade bills for the purchase of goods in the ordinary course of business or by any bank or accepting house under any acceptance credit opened on behalf of the Company or any subsidiary shall be deemed to be moneys borrowed;

but moneys borrowed for the purpose of repaying the whole or part of borrowings of the Company or any subsidiary for the time being outstanding and so to be applied within four months of being so borrowed shall pending their application for such purpose within such period be deemed not to be moneys borrowed.

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

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

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

#### PROCEEDINGS OF DIRECTORS.

113. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of the Director whom he is representing,

to a separate vote on behalf of such Director in addition to his own vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom.

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

115. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company, or whereat the terms of any such appointment are arranged or varied, and he may vote on any such appointment, or the arrangement or variation of the terms thereof, other than his own appointment, or the arrangement or variation of the terms thereof.

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

- (A) any contract or arrangement giving the Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- (B) any contract or arrangement giving any security or guarantee to a third party in respect of a debt or obligation of the Company or of any subsidiary of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or
- (C) any contract or arrangement by a Director to subscribe for or underwrite shares or debentures of the Company, or of any other company which the Company may promote or be interested in; or
- (D) any contract or dealing with any other company in which the Director is interested only as an officer, creditor or employee, or as holders of shares or other securities; or



- (E) any contract listed or proposed to be listed in any Prospectus or Offer for Sale or Advertisement for public information in relation to shares or debentures of the Company or in any Statement in lieu of Prospectus which is published or filed within thirty days after the Company ceases to be a private company;

and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in any particular case or class of cases, by Ordinary Resolution of the Company.

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

118. The Directors may from time to time elect from their number, and remove, a Chairman and Vice-Chairman and determine the period for which they are to hold office. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Directors, but if no such Chairman or Vice-Chairman be elected, or if at any meeting the Chairman or Vice-Chairman be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

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

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

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

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

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

#### MINUTES.

124. The Directors shall cause minutes to be made:—

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

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

#### SECRETARY.

125. The Secretary shall be appointed and may be removed by the Directors.

126. Anything by the Acts required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that

behalf by the Directors: Provided that any provision of the Acts or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

#### SEAL.

127. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of a resolution of the Directors or of a committee of the Directors authorised in that behalf by the Directors. The Directors may from time to time make such regulations as they think fit (subject to the provisions of these Articles in relation to share and debenture certificates) determining the persons and the number of such persons who shall sign every instrument to which the Seal is affixed, and until otherwise so determined every such instrument shall be signed by one Director and shall be countersigned by the Secretary.

128. The Company may have an official seal for use aboard under the provisions of the Acts, where and as the Directors shall determine, and the Company may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as shall be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

#### DIVIDENDS.

129. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.

130. No dividend shall be payable except out of the profits of the Company, and no dividend shall exceed the amount recommended by the Directors.

131. Subject to the rights of persons, if any, entitled to shares with preferential or other special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares (otherwise than in advance of calls) in respect whereof the

dividend is paid. All dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid except that if any share is issued on terms providing that it shall carry any particular rights as to dividend, such share shall rank for dividend accordingly.

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

133. The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

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

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

136. Any dividend or other moneys payable on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, and in the case of joint holders to any one of such joint holders, or to such person and such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such other person as the holder or joint holders may in writing direct, and payment of

the cheque or warrant shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

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

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

#### RESERVES.

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

#### CAPITALISATION.

140. The Company may by Ordinary Resolution, upon the recommendation of the Directors, resolve that it is desirable to capitalise any undivided profits of the Company (including profits carried and

standing to any reserve or reserves) not required for paying the fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits, or any sum carried to reserve as a result of the sale or revaluation of the assets of the Company (other than goodwill) or any part thereof or, subject as hereinafter provided, any sum standing to the credit of the Company's share premium account or capital redemption reserve fund, and accordingly that the Directors be authorised and directed to appropriate the profits or sum resolved to be capitalised to the Members in the proportion in which such profits or sum would have been divisible amongst them had the same been applicable and had been applied in paying dividends, and to apply such profits or sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such Members respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such profits or sum, such shares or debentures to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid, or partly in one way and partly in the other: Provided that the share premium account and the capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members credited as fully paid.

141. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the profits or sum resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members entitled to the benefit of such appropriations and applications into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such Members.

#### ACCOUNTS.

142. The Directors shall cause proper books of account to be kept in accordance with the Acts.

143. The books of account shall be kept at the Office, or (subject to the provisions of the Acts) at such other place as the Directors think fit, and shall always be open to inspection by the Directors. No Member

(other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.

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

145. The Auditors' report shall be read before the Company in General Meeting and shall be open to inspection as required by the Acts.

146. A printed copy of the Directors' and Auditors' reports accompanied by printed copies of the balance sheet, profit and loss account and other documents required by the Acts to be annexed to the balance sheet shall, not less than twenty-one days before the Annual General Meeting, be delivered or sent by post to the registered address of every Member and holder of debentures of the Company, and to the Auditors for the time being of the Company, and, if quotation on The Stock Exchange, London, and/or on any other Stock Exchange, for all or any of the shares or debentures of the Company is for the time being granted, four copies of each of these documents shall at the same time be forwarded to the Secretary of the Quotations Department, The Stock Exchange, London, and/or to the Secretary of any such other Stock Exchange.

#### AUDIT.

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

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

#### NOTICES.

149. Any notice or document may be given or served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his address as appearing in the Register of Members. In the case of joint holders

of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

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

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

152. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by any notice in respect of such share which, before his name and address are entered in the Register of Members, shall be duly sent to the last registered address of the person from whom he derives his title to such share.

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

154. Any notice or other document required to be served by the Company on any Member, if served by post, shall be deemed to have been served at the time when the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted. A notice to be given by advertisement shall be deemed to have been served on the day on which the advertisement appears.

155. Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead, bankrupt, of unsound mind or (being a corporation) in liquidation, and whether or not the Company has notice of the death, bankruptcy, insanity or



liquidation of such Member, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall, at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

#### WINDING UP.

156. If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the Members *in specie* the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Member shall be compelled to accept any shares in respect of which there is a liability.

#### INDEMNITY.

157. Subject to the provisions of the Acts, every Director or other officer and Auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation thereto.

Donald Penfold