

389061

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

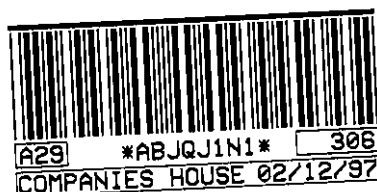
ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 14 July 1995)
(Amended by Special Resolution passed on 28 August 1997)

OF

FORTE HOLDINGS LIMITED

Incorporated on 11 October 1967
Registered No. 389061



THE COMPANIES ACT 1929

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

FORTE HOLDINGS LIMITED

1. The name of the Company is "FORTE HOLDINGS LIMITED".
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
 - (1) To carry on the business or restaurant, cafe, tavern, refreshment-room, hotel, lodging and boarding house keepers and proprietors, licensed victuallers, wine, beer, and spirit merchants, purveyors and caterers for canteens, clubs, colleges, schools, institutions, theatres, cinemas and public amusements generally, dairymen, importers and dealers in food and colonial and foreign produce of all descriptions, hairdressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds, and places of amusement, recreation, sport, entertainment, and instruction of all kinds, tobacco and cigar merchants, agents for railway and shipping companies and carriers, box-office proprietors, entrepreneurs and general agents, and any other business which can be conveniently carried on in connection with any of the above.
 - (2) To acquire from time to time all such stock-in-trade, goods, chattels and effects as may be necessary or convenient for any business for the time being carried on by the Company.

Notes:

1. The name of the Company changed from Pearce and Partners (Subsidiary) Limited by Special Resolution dated 19 October 1945.
2. The name of the Company changed from C.A. & M. Forte (Holdings) Limited by Special Resolution dated 17 May 1955.
3. The name of the Company changed from Forte's (Holdings) Limited by Special Resolution dated 23 January 1970.

- (3) To purchase, take on lease or in exchange or otherwise acquire any real or personal property, rights or privileges which the Company may think necessary or convenient for the purposes of its business, and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the Company.
- (4) To construct, equip, manage and carry on business as proprietors of concert halls, theatres, cinemas, flats, depositories, shops and stores, and generally any institution, trade or business and to supply any service or accommodation which the Company shall deem useful in connection with the carrying out of any of its objects.
- (5) To buy and sell wholesale or retail in all parts of the world all kinds of meat and generally to carry on the trade or business of meat salesman in all its branches, and to carry on the trades or businesses of cattle rearers, sheep farmers and pig breeders, fellmongers, tanners, warehousemen, manufacturers of preserved meat, extract of meat and other meat products of all kinds, fishmongers, poulterers, purveyors of provisions of all kinds, butchers, sausage manufacturers, packers of tinned, frozen or curried meat and fish, gardeners, fruiterers and greengrocers, and to buy, sell or trade by wholesale or retail in goods of any such character, and to establish shops, agents or depots and to acquire whether by purchase or otherwise and to sell and otherwise deal in all fixtures, fittings, plant and machinery which may at any time be deemed to be desirable in connection with any of the above business.
- (6) To carry on all or any of the businesses of manufacturers and importers of or dealers in ice or ice goods, freezing mixtures, refrigerators, refrigerating, storekeepers and warehousemen, and all kinds of plant, machinery, apparatus, implements, utensils, articles and things incidental to or necessary or useful for carrying on all or any of such business, and to erect, construct, build, fit up, establish and maintain ice stores, refrigerating works and warehouses, cold storage chambers and manufactories for the making of ice and ice goods with the requisite plant, machinery and other conveniences.
- (7) To carry on the business as builders and decorators, joiners, plumbers, metal workers, engineers, electricians, sanitary engineers, merchants and dealers in builders' and decorators' requisites of all kinds, house and estate agents, bankers, warehousemen, storage contractors, carriers, motor car, coach and lorry proprietors, garage proprietors, jobmasters, tailors, dressmakers, boot and shoe dealers, hosiers, hatters, clothiers, jewellers, ironmongers and hardware dealers, and general storekeepers.
- (8) To buy, sell, manufacture, repair, convert, alter and exchange, let on hire and deal in all kinds of articles and things convenient to be used in or about all the aforesaid businesses, and to carry on any other business whether manufacturing or otherwise, which may seem to the

Company capable of being conveniently carried on in connection with any of the aforesaid businesses or calculated directly or indirectly to enhance the value or render profitable any of the Company's property and rights or which it may be considered available to undertake with a view to developing, rendering valuable, prospecting or turning to account and property or right belonging to the Company, or in which the Company may be interested.

- (9) To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.
- (10) To finance and assist persons purchasing or taking leases from or otherwise having dealings with the Company.
- (11) To apply for, purchase or otherwise acquire any patents, patent rights, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licences in respect of, or otherwise turn to account the property, rights, and information so acquired.
- (12) To enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (13) To borrow and raise money and to secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages and charges upon the undertaking and all or any of the property and assets (present and future) and the uncalled capital of the Company, or by the creation and issue on such terms as may be thought expedient of debentures, debenture stock or other securities of any description.
- (14) To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, or debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
- (15) To draw, make, accept, indorse, discount, negotiate, execute and issue bills of exchange, promissory notes, and other negotiable or transferable instruments.

- (16) To amalgamate or enter into partnership or any joint purse or profit-sharing arrangement or co-operate in any way with any company, firm, or person carrying on or proposing to carry on any business within the objects of this Company.
- (17) To promote any company or companies for the purpose of acquiring all or any of the property, rights, and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (18) To guarantee and/or give security for the payment of money or the performance of obligations of all kinds by any person, Firm or Company, including without prejudice to the generality of the foregoing any Company which is for the time being the holding Company of the Company or a subsidiary of such holding Company or a subsidiary of the Company all as defined by Sections 736 and 744 of the Companies Act 1985 or any statutory amendment or re-enactment thereof for the time being in force or any Company associated with the Company in business or by reason of common shareholdings or otherwise and in security of such Guarantees to assign, dispose, convey, mortgage, pledge or charge the whole or any part of the undertaking, property, assets or revenue of the Company including uncalled capital.
- (19) To advance money to any person or persons or corporation, either at interest or without, upon the security of freehold (including enfranchised copyhold) or leasehold property by way of mortgage, or upon marketable security and in particular to advance money to shareholders in the Company, and others, upon the security of or for the purpose of enabling the person borrowing the same to erect, or purchase, or enlarge or repair any house or building, or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold (including enfranchised copyhold) or leasehold property wheresoever situate in England or Wales, upon such terms and conditions as the Company may think fit.
- (20) To take all necessary or proper steps in Parliament or with the authorities, national, local, municipal or otherwise, of any place in which the Company may have interests, and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company and to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members.
- (21) To subscribe or guarantee money for any national, charitable or benevolent object or for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.

- (22) To subscribe for, underwrite, purchase or otherwise acquire, and to hold, dispose of, sell and deal in stocks, shares, bonds, debentures, debenture stocks, and securities of any Government State, Company, Corporation, municipal or local, or other body or authority, and to vary the investments of the Company.
- (23) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences, calculated to benefit employees or ex-employees of the Company or the dependants or connections of such persons, and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public general or useful object.
- (24) To pay all the expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company, or of any other Company promoted, formed, established or registered by the Company, and all brokerage, discount and other expenses which may be deemed expedient for placing all or any of the shares or debentures, or other obligations of any Company so promoted, formed, established or registered by the Company.
- (25) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (26) To adopt such means of making known the products and businesses of the Company as may be expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or I interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (27) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- (28) To distribute among the members of the Company in specie any property of the Company.
- (29) To do all or any things and matters aforesaid either as principals, agents, contractors, trustees, agents or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
- (30) To do all such other things as may be considered to be incidental or conducive to the above objects or any of them.

Provided always that nothing herein contained shall empower the Company to carry on the business of life assurance, accident assurance, fire assurance, employers' liability assurance, industrial assurance, motor

assurance, or any business of insurance or re-insurance within the meaning of the Assurance Companies Act, 1909, or any Act amending, extending or re-enacting the same.

And it is hereby declared that the word "Company" in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere.

4. The liability of the members is limited.
5. The share capital of the Company is £1,000 divided into 1,000 Ordinary Shares of £1 each.
6. Subject and without prejudice to any special rights or privileges for the time being attached to any special class of shares for the time being forming part of the capital of the Company, any of the shares in the original capital for the time being unissued, and any new shares from time to time to be created, may from time to time be issued with any such right of preference, whether in respect of dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued or then about to be issued or with such deferred rights as compared with any other shares previously issued, or then about to be issued and with any special or restricted rights or without any right of voting, and generally on such terms and subject to such conditions and provisions as may from time to time be determined in accordance with the Articles of Association for the time being in force, but so that any preferential or special rights attached to issued shares shall not be affected or interfered with except in manner provided in Clause 3 of Table "A" in the First Schedule to the Companies Act, 1929.

Notes:-

1. By Ordinary Resolution passed 20th July, 1945, the share capital of the Company was increased to £50,000 by the creation of 49,000 Ordinary Shares of £1 each.
2. By Special Resolution passed 25th July, 1955, the share capital of the Company was increased to £750,000 by the creation of 700,000 Ordinary Shares of £1 each.
3. By Special Resolutions passed 4th October, 1962, the share capital of the Company was increased to £7,500,000 and reorganised so as to consist of 1,500,000 7 per cent Cumulative Preference Shares of £1 each, 4,000,000 Ordinary Shares of 5s each 10,000,000 'A' Ordinary Shares of 5s each, 4,000,000 'B' Ordinary Shares of 5s each and 1,500,000 Unclassified Shares of £1 each.
4. By Ordinary Resolution passed 23 January, 1963 the share capital of the Company was increased to £9,000,000 by the creation of a further 1,500,000 Unclassified Shares of £1 each.
5. By Ordinary Resolution passed 11 April, 1971, the share capital of the Company was increased to £12,000,000 by the creation of 3,000,000 Unclassified Shares of £1 each.
6. By Special Resolution passed 20 December 1968, the 4,000,000 'B' Ordinary Shares of 5s each were re-designated as Ordinary Shares of 5s each.
7. By Ordinary Resolution passed on 26 June, 1969, the 2,000,000 Unclassified Shares of £1 each in the capital of the Company were subdivided into and classified as 8,000,000 'A' Ordinary Shares as 5s each.

8. By Ordinary Resolution passed 23 January, 1970, the share capital of the Company was increased to £18,500,000 by the creation of 8,000,000 Ordinary Shares of 5s each and 18,000,000 'A' Ordinary Shares of 5s each.
9. By Written Resolution passed 23 January, 1995, the share capital of the Company was increased to £500,000,000 by the creation of 1,926,000,000 Ordinary Shares of 25p each.
10. By Ordinary Resolution passed 28 August 1997, the share capital of the Company was increased to £560,000,000 by the creation of £240,000,000 Ordinary shares of 25p each.

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
CHARLES LUTHER HUMPHREY 60, St, Clair Drive Worcester Park Surrey Cashier	One
JOSEPH GEORGE DAVEY TURLEY 84, Cheam Common Road Worcester Park Surrey Solicitor's Clerk	One

DATED this 26th day of July, 1944

Witness to the above signatures:

JOHN BANNISTER
Managing Clerk to:
BIRKBECK, JULIUS, EDWARDS & CO.
49, Moorgate
London
EC2
Solicitors

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Written Resolution passed on 14 July 1995)

(Amended by Special Resolution on 28 August 1997)

OF

FORTE HOLDINGS LIMITED

PRELIMINARY

1. Table A

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

NOTES

1. The name of the Company changed from Pearce and Partners (subsidiary) Limited by Special Resolution dated 19 October 1945.
2. The name of the Company changed for C.A. & M. Forte (Holdings) Limited by Special Resolution dated 17 May 1955.
3. The name of the Company changed from Forte's (Holdings) Limited by Special Resolution dated 23 January 1970.

SHARE CAPITAL

2 A. Authorised Share Capital

The share capital of the Company is £560,000,000 divided into 1,500,000 7 per cent. Cumulative Preference Shares of £1 each, 401,500 4.5 per cent. Second Cumulative Preference Shares of £1 each 2,816,579 7 per cent. Second Cumulative Preference Shares of £1 each, 781,921 Unclassified Shares of £1 each, 36,000,000 "A" Ordinary Shares of 25 pence each and 2,182,000,000 Ordinary Shares of 25 pence.

B. The First Preference Shares confer the right to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum on the capital for the time being paid up thereon and on a return of assets in a winding-up or reduction of capital to payment of whichever of the two undermentioned sums shall be the greater, namely:-

- (i) the capital paid up thereon; or
- (ii) a sum equal to the average of the daily middle market quotations of the First Preference Shares on The Stock Exchange, London, during the six months immediately prior to the date of commencement of the winding-up or, in the case of a voluntary winding-up or of a reduction of capital, the date of the notice convening the meeting to pass the resolution for winding-up or reduction of capital and so that such sum shall be certified as soon as possible after the relevant date by the Auditors of the Company and such certificate shall be final and binding on all parties interested and such Auditors shall so certify on such basis and in such manner as they shall in their absolute discretion determine but having regard as far as possible to any official list issued under the authority of The Stock Exchange, London, together in either case with all arrears or deficiency of the said fixed dividend thereon calculated down to the date of such payment less, in the case of a return of capital other than in a winding-up, a sum equal to income tax thereon at the standard rate for the time being in force and to be payable whether such dividend has been earned or declared or not at all in priority to all other shares in the capital of the Company provided that in the event of the repayment on a reduction of capital of part only of the capital paid up on the First Preference Shares the proportionate part only of the greater of the two above-mentioned sums shall be payable. The First Preference Shares do not confer any further or other right to participate in profits or assets.

C. Subject to the rights of the holders of the First Preference Shares the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares shall carry the right to fixed cumulative preferential dividends at the rates of 4½ per cent. and 7 per cent. per annum respectively on the capital for the

time being paid up or credited as paid up thereon ranking pari passu and in priority to the payment of any dividend on any other class of shares in the capital of the Company (other than First Preference Shares) and subject also to the liberty hereinafter expressly reserved to the Company to issue further Preference Shares ranking pari passu with the 4½ per cent. Second Preference Shares and 7 per cent. Second Preference Shares and on a return of assets in a winding-up or reduction of capital to payment pari passu of whichever of the two under-mentioned sums, shall be the greater namely:-

- (i) The capital paid up or credited as paid up thereon together with a premium of 1s per share; or
- (ii) a sum equal to the average of the daily middle market quotations of the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares respectively on The Stock Exchange, London, during the six months immediately prior to the date of the commencement of the winding-up or, in the case of a voluntary winding-up or of a reduction of capital, the date of the notice convening the meeting to pass the resolution for winding-up or reduction of capital and so that such sum shall be certified as soon as possible after the relevant date by the Auditors of the Company and such certificate shall be final and binding on all parties interested and such Auditors shall so certify on such basis and in such manner as they shall in their absolute discretion determine but having regard as far as possible to any official list issued under the authority of The Stock Exchange, London. together in either case with all arrears or deficiency of the fixed dividend thereon calculated down to the date of such payment less in the case of a return of capital other than in a winding-up, a sum equal to income tax thereon at the standard rate for the time being in force and to be payable irrespective of whether such dividend has been earned or declared or not all pari passu and in priority (other than the First Preference Shares and subject to the rights attaching to any further Preference Shares ranking pari passu with the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares which may be issued under the liberty in that behalf referred to below) to all other shares in the capital of the Company provided that in the event of the repayment on a reduction of capital of part only of the capital paid up or credited as paid up on the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares the proportionate part only of the greater of the two above-mentioned sums shall be payable. The 4½ per cent Second Preference Shares and the 7 per cent Second Preference Shares do not confer any further or other right to participate in profits or assets.

- D. Subject to the rights of the First Preference Shares the 4½ per cent. Second Preference Shares the 7 per cent. Second Preference Shares and the rights of any further Preference Shares issued under the liberty reserved to the Company in paragraphs (6) and (7) of this Article, the Ordinary Shares and the 'A' Ordinary Shares treated as one class carry the right to the profits of the

Company determined to be distributed by way of dividend and to the surplus assets of the Company.

- E. The Company shall not issue any Preference Shares ranking in any respect in priority to or pari passu with the First Preference Shares or otherwise in priority to the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares.
- F. The Company shall be entitled from time to time to issue further Preference Shares ranking pari passu with the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares but so that except as hereinafter provided the aggregate amount for the time being paid up on the First Preference Shares the 4½ per cent. Second Preference Shares the 7 per cent. Second Preference Shares and any further Preference Shares issued or proposed to be issued shall not exceed £5,000,000.
- G. Provided however that the Company shall be entitled from time to time to issue further Preference Shares ranking pari passu with the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares in excess of the before mentioned limit if at the time of such issue the Auditors of the Company certify that:-
- (i) the aggregate nominal amount of all the First Preference Shares the 4½ per cent. Second Preference Shares and 7 per cent. Second Preference Shares for the time being outstanding and of all further Preference Shares issued or proposed to be issued under the liberty herein reserved to the Company will not exceed three-quarters of the amount paid up on the issued share capital of the Company ranking as to payment of dividend and repayment of capital after and subject to the First Preference Shares the 4½ per cent. Second Preference Shares the 7 per cent. Second Preference Shares and of all further Preference Shares issued or proposed to be issued as aforesaid, and
 - (ii) the average annual consolidated profit (as hereinafter defined) is more than five times the amount of one year's interest (before deduction of income tax) on all outstanding debentures (as defined by the Act) of the Company and its United Kingdom subsidiaries together with one year's dividend (before deduction of income tax) on all of the outstanding Preference Shares ranking in priority to or pari passu with the 4½ Second Preference Shares and 7 per cent Second Preference Shares and further Preference Shares issued pursuant to the liberty herein before mentioned and the further Preference Shares proposed to be so issued.

"Average annual consolidated profit" means at any material time a sum equal to the annual average (based on a 52 week year) of the consolidated profits less losses of the Company and its subsidiaries (so far as attributable to the Company) for the three years preceding the date to which consolidated accounts were last made up as shown by the audited consolidated accounts covering or including that period such profits or

losses to be arrived at after charging all expenses but before charging United Kingdom taxation and after making such adjustments as the Auditors may consider appropriate including in particular but without prejudice to the generality of the foregoing any adjustments in respect of any shares or other securities or any business or undertaking or part thereof acquired or to be acquired in exchange for or out of the proceeds of the proposed issue and any adjustments considered appropriate (a) in respect of any subsidiary in which the Company has not had the same interest throughout the whole of the said period from the commencement of the aforesaid three years or (b) to take account of the fact that any financial year or other period of the Company in the years on which such annual average is calculated.

Every certificate by such Auditors for the purposes of this clause shall be conclusive and binding for all purposes on the Company the shareholders of the Company and all other persons.

- H. Except that the rate of dividend on each of such further Preference Shares may be such rate as shall be fixed by the terms of issue thereof and that each of such further Preference Shares may be repayable in a winding up or reduction of capital either at par or at such premium (if any) as shall be fixed by the terms of issue thereof all such further Preference Shares shall rank as to dividend and capital pari passu with the 4½ per cent. Second Preference Shares and the 7 per cent. Second Preference Shares.
- I. Except as aforesaid the Company shall not so long as any of the 4½ Second Preference Shares and the 7 per cent Second Preference Shares or any further Preference Shares issued under the liberty hereby reserved to the Company remain outstanding be at liberty to issue any shares ranking as to dividend or capital in priority to or pari passu therewith save with the prior consent or sanction of the holders of the 4½ per cent. Second Preferences Shares and the 7 per cent. Second Preference Shares and such further Preference Shares (if any) given in accordance with the provisions of these Articles.
- J. The Company and the Directors shall exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries so as to secure (so far as by such exercise they can secure) that no such subsidiary while it remains a subsidiary of the Company shall at any time issue (except to the Company or to another subsidiary) any shares ranking in priority to the equity shares of such subsidiary without the prior consent or sanction of the holders of the First Preference Shares the 4½ per cent. Second Preference Shares the 7 per cent. Second Preference Shares and such further Preference Shares ranking pari passu therewith (if any) given in accordance with Article 10 nor without such prior consent or sanction shall any shares of any such subsidiary (while it remains a subsidiary of the Company) ranking in priority to the equity shares of such subsidiary be transferred by the Company or by any subsidiary except to another subsidiary or to the Company.

- K. Subject to the restrictions imposed by this Article and without prejudice to any special rights for the time being conferred on the holders of any shares or class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is provided by Article 10) any of the Unclassified Shares 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 Directors may from time to time determine.
3. Sections 80 and 89
- (a) The Directors are generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 to exercise for a period of five year from the date of incorporation of these Articles all the powers of the Company to allot relevant unissued securities. By such authority the Directors may make offers or agreements which would or might require the allotment of relevant securities after the expiry of such period.
- (b) Subject to Article 3(a) above all unissued shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper and Section 89(1) of the Companies Act shall not apply.

PROCEEDINGS AT GENERAL MEETINGS

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

5. Proxies

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

6. Voting

Subject to any special rights or restrictions as to voting for the time being attached to any shares on a show of hands at any General Meeting every member personally present is entitled to one vote only and on a poll every member is entitled to (a) one vote for every £1 in nominal amount of the Preference Shares of any class of which he is the holder (b) ten votes for every £0.25 in nominal amount of Ordinary Shares of which he is the holder (c) one vote for every £0.25 in nominal amount of 'A' Ordinary Shares of which he is the holder and (d) ten votes for every £0.25 in nominal amount of 'B' Ordinary Shares of which he is the holder. Provided that the Preference Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any General Meeting unless:-

- (i) at the date of the notice convening the meeting the dividend on the Preference Share or Shares in question is six months in arrears and so that for this purpose the dividends on the Preference Shares shall be deemed to be payable half-yearly on the 31st day of January and the 31st day of July in every year in respect of the half-years ending on those dates, or
- (ii) the business of the meeting includes a resolution for winding-up or reducing the capital of the Company or for the sale of the whole or the major part of its undertaking or assets or for the alteration of the objects of the Company or for increasing the borrowing powers of the Directors or any resolution varying or abrogating any of the special rights attached to the Preference Share or Shares in question.

SINGLE MEMBER COMPANY

7. If at any time, and for as long as, the Company has a single member, all provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member.

NUMBER OF DIRECTORS

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

DELEGATION OF DIRECTORS' POWERS

9. (a) The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing, all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to:-
- (i) committees consisting of one or more Directors; and
 - (ii) one or more other named person or persons to be co-opted as hereinafter provided, if thought fit.

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

- (b) Insofar as any such power or discretion is delegated to a committee, and reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committee but so that:-
- (I) the number of members who are not Directors shall be less than one-half of the total number of members of the committee; and
 - (ii) no resolution of the committee shall be effective unless passed by a majority including at least one member of the committee who is a Director. Regulation 72 shall be modified accordingly.

APPOINTMENT AND RETIREMENT OF DIRECTORS

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

DISQUALIFICATION AND REMOVAL OF DIRECTORS

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

REMUNERATION OF DIRECTORS

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

PROCEEDINGS OF DIRECTORS

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

TELEPHONE BOARD MEETINGS

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

THE SEAL

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

DIVIDENDS

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

INDEMNITY

17. Subject to the provisions of and so far as may be permitted by law, every Director, Auditor, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or respect of any such act or omission in which relief is granted to him by the court. Regulation 118 shall not apply.

INSURANCE

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

- (b) For the purpose of paragraph (a) of this Article, "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of any such other body.

OVERRIDING PROVISIONS

19. Whenever Granda Group PLC (hereinafter called "the Parent Company"), or any subsidiary undertaking of the Parent Company, shall be the holder of not less than 90 per cent. of the issued Ordinary Shares, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:-
- (i) the parent Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed, but, if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.
 - (ii) no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company;
 - (iii) the immediate holding company for the time being of the Company may at any time transfer all or any shares to any person and the provisions of Regulation 24 shall not apply to such transfer;
 - (iv) any or all powers of the Directors shall be restricted in such respects and to such extent as the Parent Company may by notice to the Company from time to time prescribe.

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

NAMES, ADDRESSES AND DESCRIPTIONS
OF SUBSCRIBERS

NUMBER OF SHARES TAKEN BY
EACH SUBSCRIBER

CHARLES LUTHER HUMPHREY
60 ST. CLAIR DRIVE
WORCESTER PARK
SURREY,

ONE

CASHIER

JOSEPH GEORGE DAVEY TURLEY,
84 CHEAM COMMON ROAD
WORCESTER PARK
SURREY

ONE

SOLICITOR'S CLERK

DATED this 26th day of July, 1944

WITNESS to the above signatures:

JOHN BANNISTER
Managing Clerk to:
BIRBECK, JULIUS, EDWARDS & CO.
49, Moorgate
London EC2

Solicitors