

Company Number 636445

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION**

of

WOLSELEY UK LIMITED

formerly

Wolseley Centers Limited

Wolseley-Hughes Merchants Limited

Yorkshire Heating Supplies Limited

(name changed to its present title on 31 March 2004)



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27/01/2006

Incorporated on 3 September 1959

Company Number 636445

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
(As amended on 2 October 1998)

WOLSELEY UK LIMITED*

1. The name of the Company is WOLSELEY UK LIMITED*.
2. The registered office of the Company will be situated in England.
3. The Company's objects are:-
 - 3.1 To carry on the business of a holding company to acquire by purchase, exchange, subscription or otherwise and to hold the whole or any part of the shares, stock, debenture stock, loan stock, bonds, obligations, securities, property, rights, privileges or other interests of or in any company, corporation, firm or undertaking carrying on business of any kind whatsoever, in any part of the world and to enter into, assist or participate in financial, commercial, mercantile, industrial and other transactions undertakings and businesses of every description and to carry on, develop and extend the same or sell, dispose of or otherwise turn the same to account, and to manage, conduct, supervise, control and co-ordinate the activities, businesses, operations or affairs of any company, corporation or firm in which the company is for the time being interested and to co-ordinate the policy and administration of any companies of which the Company is a member or which are in any manner controlled by or connected or associated with the Company.
 - 3.2 To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or assets.
 - 3.3 To acquire and take over the whole or any part of the business, property and liabilities of any company or person carrying on any business which the Company is authorised to carry on, or possessed of any property or assets suitable for the purposes of the Company.
 - 3.4 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, patents, licenses, 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.
 - 3.5 To pay for any property or assets acquired by the Company either in cash or fully or partly paid shares or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined.

* The Company was incorporated on 3 September 1959 as Yorkshire Heating Supplies Limited which name was changed to Wolseley-Hughes Merchants Limited on 1 February 1974 which was then subsequently changed to Wolseley Centers Limited on 5 May 1986. The Company's name was changed to its present title on 31 March 2004.

- 3.6 To borrow or raise or secure the payment of money in such manner and upon such terms as the Company may think fit, and for any of such purposes to mortgage or charge the undertaking and all or any part of the property and rights of the Company, both present and future including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations.
- 3.7 To stand surety for or guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by both such methods; and, in particular, but without prejudice to the generality of the foregoing, to guarantee, support or secure whether by personal covenant or by any such mortgage, charge or lien as aforesaid or by both such methods the performance of all or any of the obligations (including the repayment or payment of the principal and premium and interest on any securities) of any company which is for the time being the Company's holding company (as defined by Section 736 of the Companies Act 1985) or another subsidiary (as defined by the said Section) of any such holding company or a subsidiary (as defined by the said Section) of or in any other way associated with the Company.
- 3.8 To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company).
- 3.9 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- 3.10 To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or of any other person or company having dealings with the Company, or in whose business or undertaking the Company is interested.
- 3.11 To establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or 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 Company which is a predecessor in business of the Company or of any such other company aforesaid, or any persons who are or were at any time directors or officers of the Company, or of any such other company as aforesaid, and the spouses, widows, widowers, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or advance the interests and well being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for any charitable or benevolent object or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

- 3.12 To contribute or support any public, general, political, charitable, benevolent or useful object, which it seems to the board of directors be in the interests of the Company or its members to contribute or support.
- 3.13 To enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests, with any person or company engaged or interested or about to become engaged or interested in the carrying on or conduct of any business which the Company is authorised to carry on or conduct or from which the Company would, or might derive any benefit, whether direct or indirect.
- 3.14 To establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the assets and liabilities of the Company, or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligations or any such company.
- 3.15 To amalgamate with any other company.
- 3.16 To sell or dispose of the undertaking, property and assets of the Company or any part thereof, in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Company.
- 3.17 To distribute any of the Company's property or assets among the members in specie.
- 3.18 To cause the company to be registered or recognised in any foreign country.
- 3.19 To do all or any of the above things in any part of the world, and either as principal, agent, trustee, or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- 3.20 To do all such other things as are incidental or as the Company may think conducive to the attainments of the above objects or any of them.

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, 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, and that the intention is that each of the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be an independent main object and not be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. The Liability of the members is limited.
5. The Company's share capital is £270,042,000* divided into 100,042,000 ordinary shares of £1 each and 170,000,000 8% cumulative preference shares of £1 each.

*At incorporation the share capital of the Company was £5,000 divided into 5,000 Ordinary shares of £1 each.

By an ordinary resolution of the Company passed on 5th August 1960 the share capital of the Company was increased to £15,000 by the creation of an additional 10,000 ordinary shares of £1 each.

By an ordinary resolution of the Company passed on 22nd June 1961 the share capital of the Company was increased to £42,000 by the creation of an additional 25,000 ordinary shares of £1 each.

By an ordinary resolution of the Company passed on 2nd October 1998 the share capital of the company was increased to £170,042,000 by the creation of an additional 170,000,000 8% cumulative preference shares of £1 each.

By an ordinary resolution of the Company passed on 13th January 2006 the share capital of the company was increased to £270,042,000 by the creation of an additional 100,000,000 ordinary shares of £1 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.
William Trevor Pearson Ashfield Lodge Thorner Nr Leeds Heating Engineer	One
Walter Watson North View Thorner Leeds Company Director	One
Thomas Neville Balmer 9 Brooklands East Keswick Nr Leeds Technical Representative	One

Dated this 18th day of August 1959.

Witness to the above signatures :-

A H Marshall

Leeds
Solicitor

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

WOLSELEY UK LIMITED*

(Adopted by special resolution passed on
2 October 1998)

PRELIMINARY

(1) Subject as otherwise provided herein, the regulations in Table A in the Companies Table A (Tables A-F) Regulations 1985 as amended prior to the adoption of the articles (**Table A**) shall apply to the company to the exclusion of any other regulations which would fall to constitute the company's articles of association pursuant to section 8(2) of the Act.

- (2) The following provisions of Table A shall not apply to the company:-
- (a) in regulation 1, the definitions of **the articles**, **executed** and **the seat**;
 - (b) regulation 2;
 - (c) in regulation 24, the words "which is not fully paid";
 - (d) in regulation 38, the final sentence;
 - (e) regulation 54;
 - (f) regulations 60 and 61;
 - (g) in regulation 62:
 - (i) the words "not less than 48 hours" in sub-paragraph (a);
 - (ii) the words "not less than 24 hours" in sub-paragraph (b);

* The Company was incorporated on 3 September 1959 as Yorkshire Heating Supplies Limited which name was changed to Wolseley-Hughes Merchants Limited on 1 February 1974 which was then subsequently changed to Wolseley Centers Limited on 5 May 1986. The Company's name was changed to its present title on 31 March 2004.

- (h) in regulation 66, the last sentence;
- (i) regulation 72;
- (j) regulation 88;
- (k) regulations 93 to 98 inclusive;
- (l) regulation 112;
- (m) regulation 115;
- (n) regulation 118;
- (o) regulations 102-108 inclusive.

2. (1) In these Articles, except where the subject or context otherwise requires:

Interpretation

The articles means these articles of association, incorporating Table A (as applicable to the company), as altered from time to time by special resolution.

director means a director of the company.

The directors means the directors or any of them acting as the board of directors of the company.

Dividend means dividend or bonus.

member means a member of the company.

Paid means paid or credited as paid.

The seal means the common seal of the company and includes any official seal kept by the company by virtue of section 39 or 40 of the Act.

References to a document being executed include references to its being executed under hand or under seal or by any other method.

References to writing include references to any visible substitute for writing and to anything partly in one form and partly in another form.

Words denoting the singular number include the plural number and vice versa; words denoting the masculine gender include the feminine gender; and words denoting persons include corporations.

Subject to the final paragraph of regulation 1 of Table A (as applicable to the company), references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force.

Headings are inserted for convenience only and do not affect the construction of the Articles.

(2) In the Articles, (a) powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto; (b) the word **directors** in the context of the exercise of any power contained in the Articles includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated; (c) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and (d) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under the Articles or under another delegation of the power.

SHARE CAPITAL

3.A Subject to the provisions of the Companies Acts and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the directors shall determine.

Shares with
special rights

3.B The share capital of the Company as at the date of adoption of these Articles of Association is £170,042,000 divided into:

(a) 42,000 ordinary shares of £1 each, and

(b) 170,000,000 8% cumulative preference shares of £1 each

The 8% cumulative preference shares shall confer upon the holders thereof as a separate class the right in priority to any payment by way of dividend of the Company to receive (exclusive of the imputed tax credit available to shareholders) a fixed cumulative preferential dividend (the "Fixed Dividend")

The Fixed Dividend shall in respect of each 8% cumulative preference share from time to time in issue be at the annual rate of 8% of the amount paid up, or any amount which falls to be treated as being paid up on each such 8% cumulative preference share (exclusive of the imputed tax credit available to shareholders) in respect of each year commencing on the date of issue of the relevant 8% cumulative preference share and ending on each anniversary thereof, and proportionately for any part of a year from the date of issue.

Subject to Part VIII of the Companies Act 1985 the Fixed Dividend shall be:

(a) paid in cash (exclusive of the imputed tax credit available to shareholders) on each anniversary of the issue of the relevant 8% cumulative preference share; and

(b) without any resolution of the Directors of the Company in general meeting accrue from day to day and on each such anniversary become a debt due from and immediately payable by the Company to the holders of the 8% cumulative preference shares pro rata according to the number of 8% cumulative preference shares held by each such shareholder, as the case may be.

4. Subject to the provisions of the Act relating to authority, pre-emption rights or otherwise and of any resolution of the company in general meeting passed pursuant thereto, and, in the case of redeemable shares, to the provisions of regulation 3 of Table A (as applicable to the company), all unissued shares for the time being in the capital of

Allotment

the company shall be at the disposal of the directors, and the directors may (subject as aforesaid) allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such time as it thinks fit.

NOTICE OF GENERAL MEETING

5. At the end of regulation 38 of Table A (as applicable to the company) there shall be added the following sentence: **To whom notice must be given**

"Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members and to all persons entitled to a share in consequence of the death or bankruptcy of a member, but need not be given to the directors in their capacity as such".

PROCEEDINGS AT GENERAL MEETINGS

6. Where for any purpose an ordinary resolution of the company is required, a special or extraordinary resolution shall also be effective and where for any purpose an extraordinary resolution is required a special resolution shall also be effective. **Effectiveness of special and extraordinary resolutions**

VOTES OF MEMBERS

7. Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy shall have one vote for every share of which he is the holder. **Right to vote**

PROXIES AND REPRESENTATIVES OF BODIES CORPORATE

8. An instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or, if the appointor is a corporation, either under its common seal or the hand of a duly authorised officer, attorney or other person authorised to sign it. **Appointment of proxy**

9. Instruments of proxy shall be in any usual form or in any other form which the directors may approve. **Form of proxy**

10. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. **Validity of form of proxy**

11. For so long as the company is a subsidiary, any director or secretary of a body corporate which is a member of the company (each such person being hereafter referred to as a **Qualifying Representative**) shall be recognised as the proxy of that body corporate unless the body corporate has delivered to the company in relation to the meeting a valid instrument of proxy which has not been revoked. If more than one Qualifying Representative of a body corporate is present at any meeting of the company, such persons shall agree between them who shall act as proxy for the body corporate. In default of their promptly so agreeing, the Chairman of the meeting shall direct which person shall act as proxy of the body corporate and his decision shall be final. All acts done by a Qualifying Representative who acts as proxy pursuant to the provisions of this article shall, notwithstanding that it afterwards be discovered that there was a defect in his appointment or that he was disqualified from holding office, or had vacated office, or that he was not authorised by the body corporate to do the act in question, be as valid as if such Qualifying Representative had been duly appointed and was qualified and had **Proxies of bodies corporate**

continued to hold the relevant office and had been duly authorised to do the act in question.

ALTERNATE DIRECTORS

12. (1) At the end of regulation 66 of Table A (as applicable to the company) there shall be added the following sentence:

**Alternates
representing
more than one
director**

"A director or any other person approved pursuant to regulation 65 of Table A (as applicable to the company) may act as alternate director to represent more than one director, and an alternate director shall be entitled at meetings of the directors or any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present".

(2) At the end of regulation 67 of Table A (as applicable to the company) there shall be added the following sentence:

**Termination of
appointment**

"The appointment of an alternate director shall also determine automatically on the happening of any event which, if he were a director, would cause him to vacate his office as director".

(3) The words "or in any other manner approved by the directors" in regulation 68 of the Table A (as applicable to the company) shall be deleted and the following shall be added to that regulation:

**Mode of
appointment
and removal**

"and shall take effect in accordance with the terms of the notice, subject to any approval required by regulation 65 of Table A (as applicable to the company), on receipt of such notice at the registered office of the company".

(4) The company shall reimburse an alternate director for expenses in the same manner as a director under regulation 83 of Table A (as applicable to the company).

**Payment of
expenses to
Alternates**

DELEGATION OF POWERS OF THE DIRECTORS

13. The directors may delegate any of their powers to any committee consisting of one or more directors. The directors may also delegate to any director holding any executive office such of their powers as the directors consider desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more directors (whether or not acting as a committee) or to any employee or agent of the company all or any of the powers delegated and may be made subject to such conditions as the directors may specify, and may be revoked or altered. Subject to any conditions imposed by the directors, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

**Committees of
the directors**

14. The board may establish local or divisional 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 the local or divisional boards, or any managers or agents, and may fix their remuneration. The board may delegate to any local or divisional board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the board, with power to sub-delegate, and may authorise the members of any local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any appointment or delegation made pursuant to this article may be made

**Local boards,
etc.**

upon such terms and subject to such conditions as the board may decide and the board may remove any person so appointed and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

15. The directors may appoint any person to any office or employment having a designation or title including the word director or attach to any existing office or employment with the company such a designation or title and may terminate any such appointment or the use of any such designation or title. The inclusion of the word director in the designation or title of any such office or employment shall not imply that the holder is a director of the company, nor shall the holder thereby be empowered in any respect to act as, or be deemed to be, a director of the company for any of the purposes of the articles.

Offices including the title "director"

APPOINTMENT AND REMOVAL OF DIRECTORS

16.(1) While the company is a subsidiary, the immediate holding company for the time being of the company may appoint any person to be a director or remove any director from office. Every such appointment or removal shall be in writing and signed by or on behalf of the said holding company and shall take effect upon receipt at the registered office of the company or by the secretary or at such later time as may be stated in such appointment or removal.

Appointment and removal by holding company

(2) While the company is a subsidiary, the directors shall have power to appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors, subject to any maximum for the time being in force, and, subject to regulation 81 of Table A (as applicable to the company), any director so appointed shall hold office until he is removed pursuant to article 16.(1).

Appointment by the directors

(3) While the company is a subsidiary, regulations 73 to 80 (inclusive) shall not apply to the company and all references elsewhere in Table A to retirement by rotation shall be modified accordingly.

Retirement by rotation

17. At the end of regulation 81 of Table A (as applicable to the company) there shall be added the following sub-paragraph:

Disqualification

"; or

(f) he is requested to resign in writing by not less than three quarters of the other directors. In calculating the number of directors who are required to make such a request to the director, (i) there shall be excluded any alternate director appointed by him acting in his capacity as such; and (ii) a director and any alternate director appointed by him and acting in his capacity as such shall constitute a single director for this purpose, so that the signature of either shall be sufficient".

DIRECTORS' APPOINTMENTS AND INTERESTS

18. The directors may exercise the voting power conferred by the shares in any body corporate held or owned by the company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing any or all of them directors of such body corporate, or voting or providing for the payment or giving of remuneration or other benefits to the directors of such body corporate).

Exercise by company of voting rights

19. At the end of regulation 86 of Table A (as applicable to the company) there shall be added the following sub-paragraph:

Notification of interests

"; and

(c) a director shall not in any circumstances be required to disclose to the directors that he is a director or other officer of, or employed by, or interested in shares or other securities of, any body corporate which is the ultimate holding company of the company or is a subsidiary of such ultimate holding company".

GRATUITIES, PENSIONS AND INSURANCE

20.(1) Without prejudice to the provisions of article 33, the directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the company, or of any other company which is its holding company or in which the company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the company, or of any subsidiary undertaking of the company or any such other company, or who are or were at any time trustees of any pension fund in which employees of the company or any such other company or subsidiary undertaking 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 or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the company or any such other company, subsidiary undertaking or pension fund.

Insurance

(2) Without prejudice to the generality of regulation 85 of Table A (as applicable to the company), no director or former director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company.

Directors not liable to account

21. Pursuant to section 719 of the Act, the directors are hereby authorised to make such provision as may seem appropriate for the benefit of any persons employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or the transfer of the whole or part of the undertaking of the company or any subsidiary. Any such provision shall be made by a resolution of the directors in accordance with the said section

Section 719 of the Act

PROCEEDINGS OF DIRECTORS

22. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the company for this purpose. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. Any director may waive notice of a meeting and any such waiver may be retrospective.

Convening meetings

23. A resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors or of a committee of the directors (not being less than the

Resolutions in writing

number of directors required to form a quorum of the directors) shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of the directors duly convened and held and for this purpose:

- (a) a resolution may consist of several documents to the same effect each signed by one or more directors;
- (b) a resolution signed by an alternate director need not also be signed by his appointor; and
- (c) a resolution signed by a director who has appointed an alternate director need not also be signed by the alternate director in that capacity.

24. Without prejudice to the first sentence of article 22, a meeting of the directors or of a committee of the directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word **meeting** in the articles shall be construed accordingly.

Meetings by telephone, etc.

25. A director may vote at any meeting of the directors or of a committee of the directors on any resolution concerning a transaction or arrangement with the company or in which the company is interested, or concerning any other matter in which the company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the company.

Directors' power to vote on contracts in which they are interested

SEAL

26. The company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad.

Official seal for use abroad

27. Where the Act so permits, any instrument signed with the authority of a resolution of the directors or a committee of the directors by one director and the secretary or by two directors and expressed to be executed by the company as a deed shall have the same effect as if executed under the seal, provided that no instrument which makes it clear on its face that it is intended by the persons making it to have effect as a deed shall be signed without the authority of the directors.

Execution by company under hand

28. A document which is executed by the company as a deed shall not be deemed to be delivered by the company solely as a result of its having been executed by the company.

Delivery of deeds

CERTIFICATION

29. Any director or the secretary or any person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the company and any resolutions passed by the company or the holders of any class of shares of the company or the directors or any committee of the directors, and any books, records, documents and accounts relating to the business of the company, and to certify copies thereof or extracts therefrom as true copies or extracts. A document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting

Certified copies

of the company or the holders of any class of shares of the company or of the directors or any committee of the directors that is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

RECORD DATES

30. Notwithstanding any other provision of the articles, the company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, and such record date may be on, or at any time before or after, any date on which the dividend, distribution, allotment or issue is declared, paid or made.

Record dates for dividends, etc.

NOTICES

31. The company may serve or deliver any notice or other document on or to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by sending it by facsimile transmission to the member at the last telephone number (if any) which the member has given the company for this purpose. In the case of joint holders of a share, all notices or other documents shall be served on or delivered to the joint holder whose name stands first in the register of members in respect of the joint holding and any notice or other document so served or delivered shall be deemed for all purposes sufficient service on or delivery to all the joint holders.

Method of giving notice

32.(1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice sent by post shall be deemed given:

When notices by post deemed served

- (a) if sent by first class post from an address in the United Kingdom or another country to another address in the United Kingdom or, as the case may be, that other country, on the day following that on which the envelope containing it was posted;
- (b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, on the day following that on which the envelope containing it was posted; and
- (c) in any other case, on the fifth day following that on which the envelope containing it was posted.

(2) A notice sent by facsimile transmission to a member at the last number (if any) which the member has given the company for this purpose shall be deemed given twelve hours after the time of despatch.

When other notices deemed given

(3) A notice left at the registered address of a member shall be deemed given when delivered.

INDEMNITY

33. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of the company shall be indemnified out of the assets of the company against all costs, charges, losses, expenses and liabilities incurred by him in the execution or discharge of his duties or the exercise of his powers or otherwise in relation thereto, including (but without limitation)

Indemnity to directors, officers, etc.

any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

DIVIDENDS

34. Subject to the provisions of the Companies Acts, the Company may by resolution of the board declare dividends in accordance with the respective rights of the members. **Declaration of dividends**
35. Subject to the provisions of the Companies Acts, the board may declare and pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may declare and pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be declared or paid on shares carrying deferred or non-preferred rights if, at the time of declaration or payment, any preferential dividend is in arrear. The board may also declare and pay at intervals settled by it any dividend payable at a fixed rate if it appears to the board that the profits available for distribution justify the payment. Provided the board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the declaration or lawful payment of an interim dividend on any shares having deferred or non-preferred rights. **Interim dividends**
36. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid; but no amount paid on a share in advance of the date on which a call is payable shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly. **Apportionment of dividends**
37. A resolution of the board declaring a dividend may direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other body corporate, and, where any difficulty arises in regard to the distribution, the board may settle the same as it thinks fit and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or disregard fractions altogether, and may fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees. **Dividends in specie**
38. The board may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share. **Permitted deductions**
39. Any dividend or other moneys payable in respect of a share may be paid by cheque or warrant sent by post to the registered address of the holder or person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder or otherwise by operation of law, to the registered address of that one of those persons who is first named in the register or to such person and to such address as the person or persons entitled may in writing direct. Every such cheque or warrant shall be made payable to the order of the person or
- Procedure for payment**

persons entitled or to such other person as the person or persons entitled may in writing direct and shall be sent at the risk of the person entitled, and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share. Any such dividend or other money may also be paid by any other method (including direct debit, bank transfer and dividend warrant) which the board considers appropriate.

40. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share. **Interest not payable**

41. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the board so resolves, be forfeited and cease to remain owing by the Company. The payment by the board of any unclaimed dividend or other moneys payable in respect of a share into a separate account shall not constitute the Company a trustee thereof. **Forfeiture of unclaimed dividends**