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## THE COMPANIES ACTS 1948 TO 1985

## COMPANY LIMITED BY SHARES

## ARTICLES OF ASSOCIATION

of

## SAGA GROUP LIMITED



(Adopted by Special Resolution passed on  
11th December, 1981 and amended by Special Resolutions dated 29 April 1988, 19  
March 1997 and 27 October 2004)

PRELIMINARY**Application**

1. No regulations or articles set out in any schedule to any statute concerning companies shall apply to the Company, but the following shall be the Articles of Association of the Company.

**Interpretation**

2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the table below shall bear the meanings set opposite to them respectively:-

WORDS	MEANINGS
the Company	Saga Group Limited
the Statutes	the Companies Acts 1948 to 1981 and every statutory modification or re-enactment thereof for the time being in force and every other Act for the time being in force relating to companies
the 1948 Act	the Companies Act 1948
the 1980 Act	the Companies Act 1980
these Articles	the Articles of Association as herein set out or as from time to time altered
the Registered Office	the registered office for the time being of the

	Company
the Seal	the common seal for the time being of the Company
the Securities Seal	the official seal for the time being of the Company permitted to be used by Section 2 of the Stock Exchange (Completion of Bargains) Act 1976
dividend	dividend and/or bonus
the United Kingdom	the United Kingdom of Great Britain and Northern Ireland
Subsidiary	a subsidiary as defined by Section 154 of the 1948 Act
the Group	the Company and its Subsidiaries for the time being
Director	a director for the time being of the Company
the Board	the Board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present
Bonus Shares	shares issued on a capitalisation pursuant to Article 157 of these Articles
Employees' Share Scheme	<p>a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of:-</p> <ul style="list-style-type: none"> <li>(a) the bona fide employees or former employees of the Company or of its Subsidiaries; or</li> <li>(b) the wives, husbands, widows, widowers or children or step-children under the age of 18 of such employees or former employees</li> </ul>
Employees' Shares	shares allotted pursuant to or held or to be held under an Employees' Share Scheme
Relevant Shares	<p>shares of the Company other than:</p> <ul style="list-style-type: none"> <li>(a) shares which as respects dividends and capital carry a right to participate only up to a specified amount in distribution; and</li> <li>(b) Employees' Shares</li> </ul>
Relevant Securities	shares of the Company (other than Employees' Shares) and any right to subscribe for, or to convert any security into, shares of the Company other than Employees' Shares

Equity Securities	Relevant Shares (other than Bonus Shares) or a right to subscribe for, or to convert any securities into, Relevant Shares
paid up	paid up and/or credited as paid up
the Register	the register of members required to be kept pursuant to Section 110 of the 1948 Act
In writing	Written or produced by any substitute for writing in non-transitory form, and including printing, telex, typewriting, lithography, photography and any other mode of representing or reproducing words in visible form or partly in one form and partly in another

A reference in these Articles to any Section or provision of any Act shall, if not inconsistent with the subject or context, include any such Section or provision as amended or re-enacted from time to time.

The expression "person" shall include a company and a corporation.

The expression "Secretary" shall mean and include the Secretary and any joint Secretary of the Company.

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

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

The heading notes in these Articles are included for purposes of reference only and shall not in any way affect or govern the sense or construction thereof or any part thereof.

## CAPITAL

### Authorised Share Capital

3. The capital of the Company at the date of the adoption of these Articles is £4,500,000 divided into 22,500,000 Ordinary Shares of 20p each.

### Issue of shares with special rights

4. 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 the next following Article) and save as required by Article 7 of these Articles any share in the Company (whether forming part of the original capital or not) may be allotted with such preferred, deferred or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise as the Board may determine in accordance with the powers given

to it by Article 7 of these Articles or as the Company may from time to time by Ordinary Resolution determine; and subject to and in accordance with the provisions of the Statutes any share may be purchased by the Company, or may be issued on terms that it is, or at the option of the Company or the holder is to be, liable to be redeemed out of profits available for distribution or out of the proceeds of a fresh issue of shares made for the purposes of the redemption and, so far as any premium is payable on their redemption that such premium may be paid out of the Company's Share Premium Account, or on such other terms and in such manner as the Company by Special Resolution may prescribe and, so far as applicable, in accordance with the regulations of The Stock Exchange and any other recognised stock exchange upon which such shares are for the time being listed.

#### **Purchase and redemption of the Company's shares**

- \*4A. (a) Subject to the provisions of the Statutes, any share may be issued on the terms that it is, or at the option of the Company or the holder thereof is to be liable, to be redeemed on such terms and in such manner as the Company by Special Resolution may prescribe.
- (b) Subject to the provisions of the Statutes and of these Articles and with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of any class of convertible shares for the time being forming part of the capital of the Company, the Company may purchase its own shares (including any redeemable shares).

#### **Financial assistance for the acquisition of the Company's shares**

- \*4B. Save to the extent prohibited by the Statutes or otherwise by law, the Company shall be entitled, subject to and in accordance with the provisions of the Statutes, to give financial assistance directly or indirectly for the purpose of the acquisition or proposed acquisition of any shares in the Company or any company of which it is a subsidiary company or for the purpose of reducing or discharging any liability incurred by any person for the purpose of acquiring any shares in the Company or any company of which it is a subsidiary.

\* New Article - adopted by Special Resolution passed on 29th April 1988

#### **Variation of special rights attaching to a class of shares**

5. All or any of the special rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the capital of the Company may from time to time 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 not less than three-fourths in nominal value of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of that class. To any such separate meeting all the provisions of these Articles as to General Meetings of the Company shall *mutatis mutandis* apply, except that:-

- (i) the necessary quorum at any such meeting other than an adjourned meeting shall be 2 persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class;
- (ii) at any adjourned meeting of such holders one holder of shares of that class present in person or by proxy shall be a quorum (and for the purposes of this Article shall constitute a meeting);
- (iii) any holder of shares of the class in question present in person or by proxy at any such meeting or adjourned meeting may demand a poll;
- (iv) every holder of shares of the class in question shall be entitled on a poll to one vote for every share held by him.

The foregoing provisions of this Article shall apply to the variation or abrogation of the rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed two or more separate classes the rights whereof are in each case to be varied or abrogated.

#### **Special rights not varied by an issue of further shares of the class**

- 6. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not (unless otherwise expressly provided by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *par passu* therewith or subsequent thereto.

### **SHARES**

#### **Allotment of shares**

- 7. Subject to Section 21 of the 1980 Act and to the provisions of these Articles the Company is hereby authorised to allot, grant options over, or otherwise dispose of, the unissued shares in the capital of the Company; and the Board is authorised to exercise such powers of the Company to allot, grant options over, or otherwise dispose of, such unissued shares for such consideration and upon such terms and conditions as to payment by way of deposit, instalment or calls or as to the amount or time of payment of calls and at such times as the Board may determine and in particular the Board is generally and unconditionally authorised for the purposes of Section 14 of the 1980 Act to allot Relevant Securities and to offer or otherwise agree to allot Relevant Securities as it thinks fit PROVIDED that:—
  - (i) subject to the provisions of the next following sub-paragraph of this Article the maximum nominal amount of Relevant Securities that the Board is authorised to allot, offer or agree to allot shall not exceed £900,000 and the authority of the Board to exercise the power to allot Relevant Securities shall expire at midnight on 10th December 1986 unless previously extended by the Company in General Meeting by Ordinary Resolution;

- (ii) the members in General Meeting may by Ordinary Resolution: -
  - (a) renew the authority given to the Board in this Article to allot Relevant Securities (whether or not it has been previously renewed) for a further period not exceeding 5 years; but such resolution must state (or restate) the amount of Relevant Securities which may be allotted thereunder, and must specify the date on which the renewed authority will expire;
  - (b) revoke or vary any such authority or renewed authority;
- (iii) notwithstanding the foregoing provisions of this Article the Company may make any offer or agreement before the expiration of such authority or renewed authority which would or might require Relevant Securities to be allotted after the expiration of such authority or renewed authority and in pursuance of such an offer or agreement the Board may allot Relevant Securities notwithstanding that such authority or renewed authority has expired;

and PROVIDED that in accordance with the provisions of the Statutes:

- (iv) no share shall be allotted otherwise than as paid up at least as to one—quarter of the nominal value of the share and the whole of any premium on it, unless allotted in pursuance of an Employees' Share Scheme;
- (v) no allotment shall be made of any shares in the capital of the Company offered to the public for subscription unless the requirements of Section 47 of the 1948 Act and Section 16 of the 1980 Act (so far as applicable) have been satisfied; and
- (vi) no share shall be allotted for a consideration other than wholly for cash save in accordance with the provisions of Article 9 of these Articles.

#### **Allotment of Equity Securities**

8.

- (a) Subject to:-
  - (i) the Board being generally authorised (whether conditionally or unconditionally) to allot Relevant Securities in accordance with Section 14 of the 1980 Act (whether by the provisions of Article 7 of these Articles or otherwise); and
  - (ii) the provisions of Section 17 of the 1980 Act becoming applicable to the Company; and
  - (iii) the power given by this Article being exercised only in the circumstances specified in sub—paragraph (c) of this Article

the Board is hereby given power to allot Equity Securities pursuant to the general authority referred to in Article 7(i) above as if Section 17(1) of the 1980 Act did not apply to the allotment; PROVIDED THAT the power hereby given shall unless it is renewed expire at midnight on the date of the next Annual General Meeting of the Company following the adoption of these Articles (or in the case of an adjournment of that Meeting, at midnight on the date of the adjourned meeting). The power hereby given may be renewed at any time by the passing of a Special Resolution at any General Meeting of the Company (including an Annual General Meeting) for such period as is specified in the Resolution.

- (b) The power hereby given enables the Company to make an offer or agreement prior to the expiry of the power which would or might require Equity Securities to be allotted after the power has expired and the Board is hereby authorised to make any allotment of Equity Securities after the expiry of the power in pursuance of any such offer or agreement.
- (c) The Board shall only be entitled to exercise the power given by this Article:-
  - (i) to allot Equity Securities in connection with a rights issue save that the Board shall have the right:-
    - (aa) to make such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlement or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory;
    - (bb) to offer Equity Securities to persons holding Equity Securities other than Ordinary Shares on the basis of their rights to receive such offer;
    - (cc) to allot Equity Securities pursuant to the terms of any share scheme for employees approved by the members of the Company in general meeting; and

for the purposes of this Article the expression "rights issue" means an offer of securities open for acceptance for a period fixed by the Board to holders of Ordinary Shares on the Register on a fixed record date in proportion (as nearly as may be) to their then holdings of such shares; or

- (ii) to allot (otherwise than pursuant to sub – paragraph (i) above) Equity Securities wholly for cash up to an aggregate nominal value of £180,710.

\* New sub – clause substituted pursuant to Special Resolution passed on 29th April 1988

### **Allotment of shares for non-cash consideration**

9. Subject to the provisions of these Articles, the Company shall be entitled to allot shares as fully or partly paid up (as to their nominal value or any premium payable on them) otherwise than in cash; PROVIDED that:
  - (i) the Company shall not accept at any time in payment up of its shares or any premium on them an undertaking given by any person that he or another should do work or perform services for the Company or any other person;
  - (ii) no allotment of shares nor any contract for the allotment of shares nor any ancillary contract relating to payment in respect of such shares shall be made by the Company, if the consideration for the allotment is or includes an undertaking which is to be or may be performed more than 5 years after the date of the allotment; and
  - (iii) before making any such allotment the consideration for the allotment must have been valued and also a report with respect to the value of such consideration shall have been made to the Company in accordance with the provisions of Sections 24 to 27 inclusive of the 1980 Act, and, pursuant to such provisions, a copy of that report must have been sent to the proposed allottee of the shares before allotment; save that the above-stated provisions of this sub-clause (iii) shall not apply to the allotment of shares by the Company in connection with:—
    - (a) an offer made by the Company to all the holders of the shares in another company to acquire all or some of those shares or to all holders of a particular class of those shares to acquire all or some of the shares of that class (and in determining whether such an offer is so made by the Company, shares held by or by a nominee of the Company or a Subsidiary of the Company in that other company shall be disregarded); or
    - (b) a proposed merger of the Company with another company whereby either the Company or that other company proposes to acquire all the assets and liabilities of the other in exchange for the issue of shares in that one to shareholders of the other, with or without any cash payment to those shareholders.

### **Power for payment of commission on subscription of shares.**

10. In addition to all other powers of paying commissions the Company (or the Board on behalf of the Company) may exercise (subject to Articles 7, 8 and 9 of these Articles) the powers conferred by Section 53 of the 1948 Act of paying commissions to persons subscribing or procuring subscriptions for shares of the Company, or agreeing so to do whether absolutely or conditionally. The Company (or the Board on behalf of the Company) may also, on any issue of shares, pay such brokerage as may be lawful.



### **Trusts in relation to shares not to be recognised**

11. Except as and for the period required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except only as and for the period by these Articles or by law otherwise provided) the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or 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**

#### **Form of share certificate and method of sealing**

12. Every share certificate shall be issued under the Seal or the Securities Seal (or, in the case of shares on a dominion register, an Official Seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. If and so long as all the issued shares in the capital of the Company or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes, then none of those shares shall bear a denoting number; in all other cases each such share shall be distinguished by a denoting number. Notwithstanding the provisions of Article 141 of these Articles, no certificate shall be required to be signed or countersigned. The method of or system of affixing the Seal and the Securities Seal to share certificates shall (if the board so determines) be controlled by, or the certificates be approved for sealing by, the Auditors, bankers, transfer auditors of the Company, or by the Company's Registrars.

#### **Maximum number of joint holders**

13. The Company shall not be bound to register more than 4 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 to one of joint holders shall be sufficient delivery to all.

#### **Period for the issue of share certificates**

14. Subject to the provisions of Article 13 of these Articles every person whose name is entered as a member in the Register (except Sepon Limited or any other Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to one certificate for all the shares of any one class registered in his name. Any certificate or certificates to which any person is entitled hereunder shall be delivered:
  - (i) in the case of issue within one month after allotment (or such longer period as the terms of issue shall provide); or

- (ii) in the case of a transfer of fully paid shares within 14 days after lodgment of the relevant instrument of transfer; or
- (iii) in the case of a transfer of partly – paid shares within 2 months after lodgment of the relevant instrument of transfer.

#### **Balance certificates**

15. Where part only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

#### **Issue of replacement certificates**

16. (a) Any 2 or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (b) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu 2 or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request.
- (c) If a share certificate shall be damaged or defaced or worn out or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if it shall be alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating such evidence in connection with the request and the acceptance by the Company of the indemnity as the Board may think fit but without any other charge.
- (d) In the case of shares held jointly by several persons any request under this Article may be made by any one of the joint holders.

#### **Certificates for debentures and other securities**

17. The provisions of the foregoing Articles relating to certificates shall, with all necessary modifications and adaptations, apply to debentures and certificates of debenture stock and any other securities constituting the share or loan capital of the Company as they apply to certificates of shares; PROVIDED that, pursuant to the provisions of Article 12 of these Articles, the Board may resolve in respect of any one or more class or classes of security constituting the share capital, debenture stock or loan capital of the Company that any certificate representing any nominal amount of such security may (subject to the provisions of the trust deed or other instrument constituting such security if any) be issued under the Seal on the terms that any such certificate shall be signed by a Director of the Company and countersigned either by another

Director or by the Secretary or by such other person as the Board may appoint for the purpose; or that such certificate need not be signed by any person.

## **LIEN**

### **Company's lien on partly – paid shares – lien extends to dividends**

18. The Company shall have a first and paramount lien on every share (not being a fully paid share) standing registered in the name of any member whether singly or jointly with any other person or persons for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share and both before and after notice to the Company of any equitable or other interest of any person other than such member, whether the time for payment or discharge of the same shall have 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; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Company shall not have a lien or any other charge on its own fully paid shares (whether taken expressly or otherwise); and in relation to any permitted lien or other charge the provisions of sub – section (10) of Section 37 of the 1980 Act and paragraph 39 of Schedule 3 of the 1980 Act shall be complied with in every respect.

### **Enforcement of lien by a sale of shares – application of proceeds of sale on enforcement of lien.**

19. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the registered holder for the time being of the shares or the person entitled to the shares by reason of the death or bankruptcy of such registered holder.

### **Board's power to authorise a transferor to execute a sale transfer – good title of transferee to shares**

20. The net proceeds of such sale, after payment of the costs thereof 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 registered holder for the time being of the shares or to the person entitled to the shares by reason of the death or bankruptcy of such registered holder of the shares at the time of the sale. For giving effect to any such sale the Board may authorise some person to transfer the shares sold to, or in accordance with the directions of, 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 and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

### **CALLS ON SHARES**

#### **Board may make calls**

21. The Board, subject to any terms of allotment, may from time to time make calls upon the members in respect of any moneys unpaid on their shares and each member shall (subject to being given at least 14 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. A call may be required to be paid by instalments. A call may, at any time before receipt by the Company of a sum due thereunder, be revoked in whole or in part and payment of a call may in whole or part be postponed as the Board may determine.

#### **When a call is deemed to be made**

22. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

#### **Liabilities of joint holders**

23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

#### **Interest on unpaid calls**

24. If a sum called in respect of any share or any money payable on a share under the terms of allotment 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 Board may agree to accept, but the Board shall be at liberty to waive payment of such interest wholly or in part.

#### **Sums payable on allotment or at any fixed time deemed to be a call**

25. Any sum or non-cash consideration which by the terms of allotment of a share or pursuant to the Statutes or by reason of the inadequacy or failure of the allottee to furnish to the Company the consideration for the allotment thereof becomes payable or due upon allotment or at any fixed date whether on account of the nominal 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 the terms of allotment or the provisions of the Statutes, the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and

expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**Board's power to differentiate regarding calls**

26. The Board may make arrangements on the allotment of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

**Payment up of shares in advance of calls**

27. The Board may, if it thinks 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 not exceeding 10 per cent per annum (unless the Company in General Meeting shall otherwise direct) as the member paying such sum and the Board agree upon.

**TRANSFER OF SHARES**

**Transfers to be in writing in usual common form**

28. All transfers of shares shall be effected by transfer in writing in any usual or common form or in any other form which the Board may approve, but need not be under seal; PROVIDED that every transfer by a corporation shall be under seal, unless the Board shall in its absolute discretion decide to recognise a transfer under hand by a person duly authorised to sign on behalf of the corporation.

**No transfer fees payable**

29. No fee shall be charged on the registration of a transfer.

**No registration fees payable**

30. No fee shall be charged on the registration of any probate, letters of administration, certificate of death or marriage, power of attorney, stop notice or other instrument relating to or affecting the title to any shares.

**Execution of transfers**

31. The instrument of transfer of a share shall be executed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof; PROVIDED that in the case of a partly-paid share the instrument of transfer must also be executed by or on behalf of the transferee.

### **Board's power to refuse to register transfers in certain cases**

32. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve and they may also decline to register any shares (not being fully paid shares) on which the Company has a lien. If the Board declines to register a transfer of shares, it shall, within 2 months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

### **General conditions as to transfer**

33. The Board may also decline to register any instrument of transfer, unless the instrument of transfer:-

- (i) is duly stamped and is deposited at the Registered Office or such other place as the Board may prescribe and is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf the authority of that other person so to do); and
- (ii) is in respect of one class of share only; and
- (iii) is in favour of not more than 4 transferees.

In the case of a transfer executed by Sepon Limited or by any other Stock Exchange nominee the lodgement of a certificate for the shares being transferred will not be necessary.

- 33A Notwithstanding anything else contained in these Articles the Company and the Directors shall be bound to register a transfer of any share in the Company and may not suspend registration of such shares where such transfer:

- (i) is to the bank or institution to which such shares have been charged by way of security, whether as agent for a group of banks or institutions or otherwise, or to any nominee or any transferee of such a bank or institution (a "Secured Institution"); or
- (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
- (iii) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security.

- 33B Notwithstanding anything to the contrary contained in these Articles, no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee shall be required to

offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under these articles or otherwise howsoever to require such shares to be transferred to them, whether for consideration or not".

#### **Temporary suspension of the registration of transfers**

34. The registration of transfers of shares or of any class of shares or of debentures or debenture stock of the Company or of any other class of security constituting the share or loan capital of the Company may be suspended at such times and for such periods as the Board may from time to time determine; PROVIDED always that:
- (i) such registration shall not be suspended for more than 30 days in any year; and
  - (ii) in the case of the registration of securities constituting the loan capital of the Company or of debentures or of debenture stock the suspension thereof shall also be in accordance with the provisions of any trust deed or other document securing and/or constituting such security.

#### **Company to retain transfers and power of Company to destroy transfers and related documents**

35. (a) Subject to paragraph (b) of this Article all instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall (except in any case of actual or suspected fraud) be returned to the person depositing the same.
- (b) Subject as hereinafter provided the Company shall be entitled to destroy:-
- (i) all instruments of transfer of shares which have been registered at any time after the expiration of 12 years from the date of registration thereof; and
  - (ii) all registered share certificates which have been cancelled or ceased to have effect at any time after the expiration of one year from the date of cancellation or cessation of effect thereof; and
  - (iii) all notifications of change of name or address and dividend mandates after the expiration of 3 years from the date of recording thereof; and
  - (iv) any other document on the basis of which any entry in the Register is made at any time after the expiry of 6 years from the date an entry in the register was first made in respect of it.

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every share warrant, coupon, talon or share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with which the particulars thereof were duly and properly recorded in the books or records of the Company; PROVIDED that:-

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled;
- (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

The provisions of this Article shall, with all necessary modifications and adaptations, apply to all instruments of transfer, notifications of change of name or address and mandates relating to and certificates representing debentures, debenture stock and any other securities constituting the share or loan capital of the Company as they apply to instruments of transfer of and certificates for and other documents relating to shares.

#### **Renunciation of allotment ermitted**

36. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person before any person has been entered in the Register in respect of such share. The provisions of this Article shall, with all necessary modifications and adaptations, apply to the renunciation of the allotment of any debenture, debenture stock or any other security constituting the share or loan capital of the Company.

#### **TRANSMISSION OF SHARES**

##### **Surviving joint holders or personal representatives alone recognised upon death of a member**

37. In case of the death of a member, the survivors or survivor where the deceased was a joint holder, and the legal personal representatives 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.

**Person becoming entitled on death or bankruptcy of a member may be registered**

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 properly required by the Board, and subject, as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Board shall, in either case, have the same right to decline or suspend registration as it would have had in the case of a transfer of that share by that member before his death or bankruptcy, as the case may be.

**Person electing to be registered required to notify the Company**

39. If the person becoming entitled to a share shall elect to be registered himself under the provisions of the foregoing Article, 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 executing in favour of such person a transfer of such share. 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.

**Rights of persons entitled to a share by transmission**

40. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to the same dividends and other moneys payable in respect thereof and may give a good discharge therefor and he shall be entitled to all other advantages to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or to exercise any rights conferred by membership in relation to meetings of the Company.

**FORFEITURE OF SHARES**

**Service of notice requiring payment of unpaid calls**

41. If a member fails to pay any call or instalment of a call before or on the day appointed for payment thereof, the Board 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 and any expenses incurred by the Company by reason of such non-payment.

### **Contents of notice requiring payment of unpaid calls**

42. The notice shall name a further day (not earlier than 14 days from the date of service or deemed 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. The Board may accept the surrender of any share liable to be forfeited hereunder and in such case references in these Articles to forfeiture shall include surrender.

### **Forfeiture of shares**

43. 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 received by the Company, be forfeited by a resolution of the Board to that effect and such forfeiture shall include all dividends which shall have been declared on the forfeited share and not actually paid before the forfeiture and any dividends on any such share which may have been declared and paid but which have not been claimed by the payee at the date of the resolution of the Board at which such share shall have been forfeited.

### **Service of notice of forfeiture**

44. When any share has been forfeited notice of the forfeiture shall be served upon the person who was before the forfeiture the registered holder of that share and an entry of such notice having been given, and of the forfeiture, with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice or make such entry as aforesaid.

### **Forfeited shares to become the property of the Company**

45. A share upon being forfeited shall thereupon become the property of the Company and before the expiration of the period of 3 years from the date of the forfeiture such share may (subject to the provisions of these Articles) 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 Board shall (subject to the provisions of these Articles) think fit including the remission of the whole or any part of the interest made payable by the next succeeding Article, and at any time before such a sale, re-allotment or disposition the forfeiture may be annulled or cancelled on such terms and conditions as the Board thinks fit. The Board may, if necessary, authorise some person to transfer such a forfeited share to any other person as aforesaid. If before the expiration of the period of 3 years from the date of forfeiture of any share such share has not been sold, re-allotted or otherwise disposed of, the Board shall before the expiration of the period of 3 years from the date of forfeiture of the share cancel such share and shall diminish the amount of the authorised and issued share capital by the nominal amount of the share so cancelled and shall comply with all relevant provisions of Section 37 of the 1980 Act.

### **Former holder of forfeited shares remains liable for unpaid calls**

46. A person 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 10 per cent per annum, or at such lower rate as the Board may determine, from the date of forfeiture until payment, and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.

### **Statutory declaration as evidence of forfeiture**

47. A statutory declaration in writing that the declarant is a Director or 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.

### **\* Untraced Shareholders**

#### **Company's power to sell shares**

- 47A. The Company shall be entitled to sell at the best price reasonably obtainable the shares of the registered holder or the shares to which a person is entitled by transmission if and provided that:-
- (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the earlier thereof), all warrants and cheques sent by the Company through the post in prepaid letters addressed to the registered holder of or to the person entitled by transmission to such shares at the address appearing against his name in the Register (or which has been sent to him at such other address, or to such other person at such other address, as such registered holder of or to the person entitled by transmission to such shares shall have instructed the Company to pay dividends otherwise payable to him at his registered address) have remained uncashed PROVIDED that at least 3 dividends have become payable; and
  - (ii) on the expiry of the said period of 12 years the Company shall have inserted advertisements both in a leading London daily newspaper and in a newspaper circulating in the area of the relevant address

referred to in paragraph (i) of this Article 47A giving notice of its intention to sell the said shares; and

- (iii) during the said period of 12 years and the period of 3 months following the said advertisements and prior to the exercise of the power of sale the Company shall have received no communication from such registered holder of or person entitled by transmission to such shares; and
- (iv) notice shall have been given in writing to the Quotations Department of The Stock Exchange in London of its intention so to do. To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such shares or any of them and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such

shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The Company shall account to the registered holder of or other person entitled to such shares for the net proceeds of such sale and the Company shall be deemed to be his debtor, and not a trustee for him in respect of the same. Any moneys not accounted for to the registered holder of or other person entitled to such shares shall be a permanent debt of the Company. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Board may from time to time think fit.

\* New Article adopted pursuant to Special Resolution passed on 29th April 1988

## STOCK

### Conversion of shares into stock

- 48. The Company may by Ordinary Resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class in the capital of the Company into stock, any shares of that class which subsequently become fully paid up and rank *pari passu* in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.

### Conditions as to transfer of stock - minimum amount transferable

- 49. When any shares have been converted into stock, the several stockholders 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, or as nearly thereto as circumstances admit; but the Board may from time to time, if it thinks fit, fix the minimum amount of stock

transferable, provided that such minimum amount shall not exceed the nominal amount of the shares from which the stock arose.

#### **Rights and privileges of stockholders**

50. The several stockholders shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings and in all other respects as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in dividends and profits of the Company and in assets on a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right, privilege or advantage.

#### **Interpretation of "stock" and "stockholder"**

51. All such provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words "share" and "member" therein shall include "stock" and "stockholder".

### **INCREASE OF CAPITAL**

#### **Power to increase capital**

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

#### **Allotment of shares after increase in capital**

53. (a) The Board shall not allot new Relevant Securities made available for allotment by virtue of any resolution whereby the capital of the Company is increased unless and until the Board shall have been authorised to do so in accordance with the provisions of Section 14 of the 1980 Act; PROVIDED that:-
- (i) if such authority is given by Ordinary Resolution which varies the special rights attached to any class of shares in the capital of the Company it shall not be effective unless the provisions of Article 5 of these Articles are complied with;
  - (ii) nothing in this Article shall prejudice any authority given to the Board pursuant to the said Section 14 or in Article 7 of these Articles (whether previously varied and/or renewed or not) to allot during the said period and up to the maximum amount specified in the said authority (or in any effective resolution varying and/or renewing the same) any Relevant Securities available for allotment before the passing of the resolution whereby the capital of the Company is increased.
- (b) Subject as otherwise provided in Section 18 of the 1980 Act no new Equity Securities made available for allotment by virtue of a resolution whereby the capital of the Company is increased shall be

allotted save in accordance with the provisions of Section 17 of the 1980 Act unless and until:-

- (i) the Board shall have been generally (whether conditionally or unconditionally) authorised to allot Relevant Securities in accordance with the provisions of sub-paragraph (a) of this Article; and
- (ii) the Company has given the Board power to allot Equity Securities as if sub-section (1) of Section 17 of the 1980 Act did not apply to the allotment or as if that sub-section applied to the allotment with such modifications as the Board might determine (whether by a Special Resolution or in accordance with the provisions of Article 8 of these Articles).

PROVIDED ALWAYS that if no such general authority shall have been given and/or if no such power and authorisation shall have been given nothing in this Article shall prejudice any power conferred upon the Board prior to the passing of the resolution whereby the capital of the Company is increased (whether by Special Resolution or by Article 8 of these Articles) to allot Equity Securities available for allotment before the passing of the said resolution as if sub-section (1) of Section 17 did not apply to the allotment or as if that sub-section applied to the allotment with such modifications as the Board might determine.

#### **New shares are subject to the provisions of these Articles**

54. All new shares shall:-

- (i) be subject to the provisions of these Articles with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise; and
- (ii) unless otherwise provided in accordance with these Articles be Ordinary Shares.

#### **ALTERATIONS OF CAPITAL**

##### **Consolidation, sub-division, cancellation and reduction**

55. The Company may by Ordinary Resolution:-

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, and so that the resolution whereby any share is sub-divided may determine that, as between the holders 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 shares upon the allotment thereof;

- (iii) 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;

and may by Special Resolution:

- (iv) reduce its share capital and any Capital Redemption Reserve Fund and any Share Premium Account in any manner authorised by the Statutes.

#### **Treatment of an fractional entitlements arising on consolidation**

- 56. Whenever on any consolidation of shares members shall be entitled to any fractions of shares, the Board may sell the shares representing such fractions for the best price reasonably obtainable and, except as provided below, shall distribute the net proceeds of sale thereof amongst the members entitled to such fractions in due proportions. Whenever on any consolidation of shares the value of a fractional entitlement to a share shall be less than £2.00 in respect of any one or more members and an Ordinary Resolution of the Company shall have been passed giving, inter alia, the necessary consent, the proceeds of sale (after the deduction of the proper expenses of such sale) of each and every such fractional entitlement amounting to less than £2.00 shall belong to and be vested in the Company. For the purpose of giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer 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 relating to the sale.

### **GENERAL MEETINGS**

#### **Annual General Meeting**

- 57. 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 shall specify the meeting as such in the notice calling it. Not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Board shall determine. All general Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.

#### **Extraordinary General Meetings**

- 58. The Board may call an Extraordinary General Meeting whenever it thinks fit, and Extraordinary General Meetings shall be convened by the Board on such

requisition, or in default may be convened by such requisitionists, as provided by the Statutes.

## **NOTICE OF GENERAL MEETINGS**

### **Length of notice**

59. In the case of an Annual General Meeting or of a meeting for the passing of a Special Resolution 21 clear days' notice at the least and in any other case 14 clear days' notice at the least specifying the place, the day and the hour of meeting, and in case of special business the general nature of such business (and in the case of an Annual General Meeting specifying the meeting as such) shall be given in manner hereinafter mentioned to all 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 such notice); and to the Auditors for the time being of the Company; and to each of the Directors (including any alternate Director) of the Company. The period of notice in each case shall be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held.

### **Short notice**

60. A General Meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed:
- (i) In the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

### **Notice to state right of member to appoint a proxy**

61. 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 on a poll vote instead of him and that a proxy need not also be a member.

### **Notice to be given of members resolutions upon requisition**

62. It shall be the duty of the Company, subject to the provisions of the Statutes, on the requisition in writing of such number of members as is specified in the Statutes and (unless the Company otherwise resolves) at the expense of the requisitionists:-
- (i) 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



- (ii) to circulate to members entitled to have notice of any General Meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

#### **Accidental omission or non-receipt of notice**

63. The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at any General Meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **Special and ordinary business**

64. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of:-

- (i) declaring dividends;
- (ii) considering the Accounts and all the documents required by the Statutes to be comprised therein;
- (iii) appointing Directors in place of those, or re-appointing as Directors those, retiring by rotation or otherwise;
- (iv) re-appointing retiring Auditors (other than Auditors last appointed otherwise than by the Company in general meeting);
- (v) fixing, or fixing the manner of determining, the remuneration of the Auditors;
- (vi) authorising the Directors under the provisions of sub-section (1) of Section 14 of the 1980 Act to allot Relevant Securities;
- (vii) giving the Directors power under the provisions of sub-section (1) of Section 18 of the 1980 Act to allot Equity Securities;

PROVIDED that where any resolution pursuant to sub-paragraphs (vi) and (vii) above are proposed to be considered by the members at an Annual General Meeting the full text of each such resolution shall be set out in or in a document attached to the notice convening the relevant Annual General Meeting.

#### **Special Notice**

65. Where by any provisions contained in the Statutes 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 28 days (or such shorter period as the Statutes permit) 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 Statutes.

### **Quorum**

66. No business shall be transacted at any General Meeting unless a quorum of members is present. Save as in these Articles otherwise provided 3 individuals entitled to vote each being a member or a proxy for a member or a representative of a corporation appointed in accordance with the Statutes shall be a quorum for all purposes.

### **Adjournment or dissolution for lack of quorum**

67. If within half an hour from the time appointed for any General 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 time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the members present in person or by proxy not being less than 2 individuals, shall be a quorum.

### **Chairman**

68. The Chairman (if any) of the Board or, in his absence, any Deputy Chairman shall preside as Chairman at every General Meeting, but if there be no such Chairman or Deputy Chairman, or if at any meeting none of them is present within 15 minutes after the time appointed for holding the same or none of them shall be willing to act as Chairman of the meeting, some other Director nominated by the Directors present shall preside, failing which the members present and entitled to vote shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, one of themselves to be Chairman of the meeting.

### **Adjournment**

69. The Chairman of the meeting 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. Whenever under the provisions of these Articles a meeting is adjourned for 14 days or more, 7 clear days notice at the least specifying the place, the date and the hour of the adjourned meeting shall be given as in the case of the original meeting, but it still 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 or of the resumption of any adjourned meeting.

**Manner in which resolution decided - demand for a poll -- Chairman's declaration on a result of a show of hands - amendments to resolutions.**

70. (a) 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 d
- (i) the Chairman of the meeting; or
  - (ii) at least 2 members having the right to vote at the meeting; or
  - (iii) 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
  - (iv) a member or members holding shares 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; or
  - (v) a member or members holding at least one – twentieth of the issued Ordinary Shares of the Company.

Unless a poll is so demanded a declaration by the Chairman of the meeting 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 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.

- (b) If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a manifest error) may in any event be considered or voted upon.

**Proxy empowered to demand a poll**

71. 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 that member.

**Errors in counting votes**

72. 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 that same meeting, or at any adjournment thereof, and not

in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the result of the voting.

#### **Manner of and time and place for taking a poll**

73. Subject to the provisions of Article 75 of these Articles, if a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers) and at such place and either forthwith or at such later time (not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded) as the Chairman of the meeting may direct and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may, in the event of a poll, appoint scrutineers (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

#### **Chairman's casting vote**

74. 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 further or casting vote in addition to any vote to which he may be entitled as a member.

#### **Poll on election of Chairman and on an adjournment**

75. A poll on the election of a Chairman of the meeting or on a question of adjournment if validly demanded shall be taken forthwith.

#### **Continuance of other business**

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

#### **Demand for a poll may be withdrawn**

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

### **VOTES OF MEMBERS**

#### **Voting rights**

78. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles or the terms of issue of such shares, on a show of hands every member who, being an individual, is present in person or, being a corporation is present by way of a duly authorised representative in accordance with the provisions of Article 91 of these Articles, at any meeting of the Company and entitled to vote shall have one vote only and upon a poll every member present either in person or by proxy and entitled to vote shall have one vote for every Ordinary Share held by him.

### **Disqualification from voting**

79. (a) No member shall, unless the Board otherwise determines, be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (b) Where, in respect of any shares of the Company, any member or other person who being obliged to do so under the Statutes fails to comply fully with a Statutory Disclosure Notice within the period (which shall not be less than 30 days) specified in such notice, such shares shall from the expiry of such period confer no right to vote until such notice has been complied with fully.
- (c) For the purpose of this Article the expression "Statutory Disclosure Notice" means any notice given by the Company under the Statutes requiring any person to whom the Company is entitled to address such a notice under the Statutes to indicate in writing the capacity in which he holds any shares in the Company or any interest therein or so far as it is within his knowledge the persons who have an interest in them and the nature of their interest or whether any of the voting rights carried by such shares are the subject of an agreement or arrangement under which another person is entitled to control the exercise of those rights or particulars of his own past or present interest in such shares and, in the case of a past interest, so far as lies within his knowledge, particulars of the identity of the person who held that interest immediately upon his ceasing to hold it or so far as lies within his knowledge such particulars as may be required by the notice of any other interest subsisting in such shares or any other matter or particulars which the Company is entitled under the Statutes to require him to indicate in writing.
- (d) The provisions of Articles 168 and 169 of these Articles shall apply to the service on or delivery to any person of a notice under a Statutory Disclosure Notice whether or not such person was a member of the Company at the relevant date but so that in the case of a non-member references to a registered address shall be read as references to the address of such non-member notified to the Company.

### **Voting by joint holders**

80. 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 in respect of the shares.

### **Member of unsound mind may vote by committee or other appointed representative**

81. A member who for any purpose of any statute relating to mental health is a patient or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons

incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonus, or other person in the nature of a committee, receiver, or curator bonus appointed by such Court, and such committee, receiver, curator bonus or other person may on a poll vote by proxy; PROVIDED that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Registered Office or at such other place within the United Kingdom as is specified in the notice convening the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.

#### **Objections to the qualification of a voter**

82. 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 or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the Chairman of the meeting decides that the same may have affected the decision of the meeting. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

#### **Proxy may vote on a poll**

83. On a poll, votes may be given either personally or by proxy.

#### **Member need not cast his votes all in same way**

84. 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.

#### **Execution of a form of proxy**

85. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or agent duly authorised in writing, or, if the appointor is a corporation, either under its Common Seal or under the hand of a duly authorised officer, attorney or agent.

#### **Proxy need not be a member**

86. Any person whether a member of the Company or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion.

#### **Deposit of instrument of proxy – duration of validity of instrument of proxy**

87. 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 Registered Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in the instrument of proxy issued by the Company in relation to that meeting not less than 48 hours before the time appointed

for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll, taken otherwise than at or on the same day as the meeting or adjourned meeting not less than 24 hours before the time appointed for the taking of the poll 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 12 months from the date stated 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 12 months from the date stated in the instrument as the date of its execution.

#### **Form of proxy instrument**

88. An instrument of proxy may be in any usual or common form or in such other form as the Board shall approve. Instruments of proxy need not be witnessed but must be dated.

#### **Board may send out instruments of proxy to all members**

89. The Board may at the expense of the Company send, by post or otherwise, to the members instruments of proxy (with or without stamped envelopes or other pre-paid or similar postal facilities for their return) for use at any General Meeting or at any meeting of any class of members 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 expense of the Company, such invitations 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.

#### **Validity of vote given by proxy**

90. A vote given in accordance with the terms of an otherwise valid instrument of proxy shall be valid notwithstanding the 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 Registered Office 2 hours or more before the commencement of the meeting or adjourned meeting or the taking of a poll at which the instrument of proxy is used.

### **CORPORATIONS ACTING BY REPRESENTATIVES**

#### **A corporation member may appoint a representative**

91. 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 meeting of any class of members 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 personally present at such meeting. A corporation, whether

or not a company within the meaning of the 1948 Act, if it is a member of the Company shall be deemed to be present in person at any meeting of the members of the Company if that corporation is entitled to attend such meeting and is represented at such meeting by a person who is duly authorised under the provisions of Section 139 of the 1948 Act to attend such meeting of the Company on behalf of that corporation.

#### **Directors entitled to attend and speak at General Meetings.**

92. Each Director (or failing him, his alternate if any) shall be entitled to attend and speak at any General Meeting of the Company and at any separate meeting of any class of members.

### **DIRECTORS**

#### **Number of Directors**

93. Unless and until otherwise determined by the Company by Ordinary Resolution and subject to the Statutes, the Directors shall not be less than 2 in number.

#### **Directors share qualification**

94. A Director shall not be required to hold any qualification shares.

#### **Remuneration of Directors**

95. Each of the Directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all such fees so paid (excluding amounts payable under any other Article of these Articles) shall not exceed £75,000 per annum or such higher amount as may from time to time be determined by Ordinary Resolution of the Company.

#### **Expenses**

96. In addition to such remuneration as aforesaid, any Director may with the sanction of the Board be paid such reasonable travelling, hotel and other expenses as he may properly incur in attending or returning from meetings of the Board or committees of the Board or General Meetings or which he may Otherwise properly incur in connection with the discharge of his duties.

### **POWERS AND DUTIES OF DIRECTORS**

#### **Board to manage the business of the Company**

97. The business of the Company shall be managed by the Board, which may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of the Statutes and of these Articles, and to such directions whether or not inconsistent with these Articles as may be prescribed by the Company by Special Resolution but no such direction and no alteration of these Articles shall invalidate any prior act of the Board which would have been valid if that direction or alteration 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 Board by any other Article.

#### **Local boards and agencies**

98. The Board may establish any 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 committees, local boards or agencies and may fix their remuneration and may delegate to any committee, local board, or agent any of the powers, authorities and discretions vested in the Board 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 Board may think fit, and the Board 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.

#### **Appointment of attorneys and agents**

99. The Board may from time to time and at any time appoint any corporation, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or agent of the Board or the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit and any such appointment may contain such provisions for the protection and convenience of persons dealing with any such agent as the Board may think fit and may also authorise any such attorney or agent to delegate all or any of the powers, authorities or discretions vested in him. The Company may exercise powers conferred by the Statutes with regard to having an Official Seal for use abroad and such powers shall be vested in the Board.

#### **Dominion registers**

100. The Company may exercise the powers conferred upon the Company by the Statutes with regard to the keeping of a dominion register in any territory where the Company transacts business and the Board may (subject to the provisions of the Statutes) make and vary such regulations as it thinks fit respecting the keeping of such register.

#### **Limit on borrowings**

101. (a) Subject as hereinafter provided, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and, subject to the provisions of Articles 7, 8 and 9, to issue debentures and other securities whether outright or as

collateral security for any debt, liability or obligation of the Company or any third party.

- (b) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (if any) so as to secure (but as regards Subsidiaries only insofar as by the exercise of such rights or powers of control the Board can secure) that the aggregate amount (including any fixed premium payable on final payment) for the time being remaining undischarged of all moneys borrowed or secured by the Group (exclusive of intra-Group borrowings) shall not at any time (save as hereinafter provided) without the previous sanction of an Ordinary Resolution of the Company exceed an amount ("the Borrowing Limit") equal to twice the aggregate of:-

- (i) the amount paid up on or credited as paid up on the issued share capital of the Company for the time being; and
- (ii) the amount standing to the credit of the Consolidated Capital and Revenue Reserves of the Company and its Subsidiaries

all as shown by the latest Audited Consolidated Balance Sheet prepared under the historical cost convention (as modified by the revaluation of certain assets) laid before the Company in General Meeting as adjusted in accordance with the provisions of paragraph (c) of this Article.

PROVIDED THAT

- (i) no sanction of the Company by Ordinary Resolution shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding and to be applied within 6 months of the date of borrowing pending its application for such purpose within such period notwithstanding that the same may result in the Borrowing Limit being exceeded;
- (ii) the Board shall not be deemed to be in breach of the provisions of this Article by reason of the Borrowing Limit being exceeded immediately after and as a result of any new Audited Consolidated Balance Sheet being laid before the Members in General Meeting when immediately prior to such General Meeting the Borrowing Limit had not been exceeded by reference to the immediately preceding Audited Consolidated Balance Sheet but in such circumstances the Board shall ensure that by not later than six months after the date of the General Meeting at which such new Audited Consolidated Balance Sheet is laid either the Company has sanctioned by Ordinary Resolution such excess borrowing or the aggregate amount of moneys remaining undischarged or secured by the Company and its Subsidiaries has been reduced to an amount not exceeding the Borrowing Limit;

- (iii) no lender or other person dealing with the Company shall be concerned to see or inquire whether the Borrowing Limit is observed; and
  - (iv) no debt incurred in excess of the Borrowing Limit shall be invalid and no security given for the same 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 Borrowing Limit hereby imposed had been or was thereby exceeded.
- (c) For the purpose of this Article
- (i) the issue of loan capital shall be deemed to constitute borrowings notwithstanding that the same may be issued in whole or in part for a consideration other than cash;
  - (ii) Consolidated Capital and Revenue Reserves shall include any Share Premium Account, Capital Redemption Reserve Fund and any credit balance on Consolidated Profit and Loss Account but shall exclude reserves set aside for future taxation and there shall be deducted therefrom any debit balance on Consolidated Profit and Loss Account (except to the extent that such deduction has already been made) and any amounts included therein attributable to goodwill or other intangible assets;
  - (iii) adjustments shall be made to reflect any variation in the amount of such paid up capital, Share Premium Account or Capital Redemption Reserve Fund which has occurred since the date of such Audited Consolidated Balance Sheet and for this purpose share capital allotted shall be treated as having been issued and any share capital already called up or payable at any future date within the following 12 months shall be treated as already paid up. If the Company proposes to issue any shares for cash and the issue of such shares has been underwritten then such shares shall be deemed to have been issued and the subscription moneys (including any premium) payable in respect thereof within the following 12 months shall be deemed to have been paid up;
  - (iv) when the aggregate amount of borrowings required to be taken into account for the purposes of this Article on any particular day is being ascertained, any of such moneys denominated or repayable (or repayable at the option of any person other than the Company) in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that day in London provided that any of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business).

- (a) A certificate or report by the Auditors for the time being of the Company as to the amount of the Borrowing Limit or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article.

#### **Power of Board to delegate the power to make calls**

- 102. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate to the person in whose favour such mortgage or security is executed, or to any 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.

#### **Signing of cheques and similar instruments**

- 103. 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 Board shall from time to time by resolution determine.

### **INTERESTS OF DIRECTORS**

#### **Other office or place of profit under the Company -power of a Director to act in a professional capacity**

- 104. A Director may hold any other office or place of profit under the Company in conjunction with his office of Director on such terms as to tenure of office, remuneration or otherwise as the Board may determine, and he or any firm in which he is interested may act in a professional capacity for the Company and he or such firm shall be entitled to remuneration (by way of salary, commission, fee, participation in profits, pension, superannuation or otherwise) for such services as if he were not a Director and such remuneration shall be treated as part of the Company's ordinary working expenses; PROVIDED that nothing herein contained shall authorise a Director or any such firm to act as Auditor to the Company or any company controlled by the Company.

#### **Director may contract with the Company - disclosure of interest**

- 105. (a) The provisions of Part IV of the 1980 Act or any statutory re-enactment thereof or modifications thereto applicable to the Company shall be complied with in every respect.
- (b) Subject as aforesaid, no Director or intending Director shall be disqualified by his office from contracting with the Company, or any

other company in which the Company may be interested either with regard to his tenure of any such other office or place of profit as is referred to in Article 104 of these Articles or as vendor, purchaser or otherwise. Further, subject, if and as required by Section 48 of the 1980 Act, to the approval of the Company in general meeting, and save as provided in Section 49 of the 1980 Act, no such contract nor any other contract, transaction or arrangement (whether or not constituting a contract) entered into by or on behalf of the Company, or any other company in which the Company may be interested, in which any Director is in any way directly or indirectly interested (whether through persons connected with him as defined in Section 64 of the 1980 Act, or otherwise) shall 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, transaction or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established; PROVIDED that the nature of his interest (if not declared in accordance with the provisions of Article 107(c) of these Articles) has been or is declared by him:

- (i) at the meeting of the Board at which the question of entering into that contract, transaction or arrangement is first taken into consideration; or
- (ii) if the Director was not at the date of that meeting interested in the proposed contract, transaction or arrangement, at the next meeting of the Board after he became so interested; or
- (iii) in a case where the Director became interested in the contract, transaction or arrangement after it is made, then at the next meeting of the Board after he became so interested; or
- (iv) if that contract, transaction or arrangement or proposed contract, transaction or arrangement is entered into or to be entered into not by the Company but by a company in which the Company is interested as to one per cent or more of the equity share capital of that company, at the next meeting of the Board after the Director became aware of his interest or the Company's interest or of such contract, transaction or arrangement.

PROVIDED that no Director shall be liable to the Company in respect of any profit made by him or loss suffered by the Company as a result of such contract, arrangement or transaction if he shows he took all reasonable steps to secure the Company's compliance with the said Section 48 or if he shows that at the time the arrangement was entered into he did not know the relevant circumstances constituted a contravention of the said Section 48.

106. A director who is in any way either directly or indirectly interested in a contact or arrangement or proposed contract or arrangement with the Company:

106.1. shall declare the nature of his interest at a meeting of the directors in accordance with s317 of the Act;

106.2. subject to disclosure, shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.

**Office and employment - ruling on materiality - power of members to amend provisions of this Article - notice by a Director of his interest**

107. (a) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of 2 or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting by reason of being the holder of or beneficially interested in one per cent or more of any class of the equity share capital of the relevant company in which the Company is interested or of any third company through which his interest is derived or of the voting rights available to members of the relevant company) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(b) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any Director (other than himself) shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. In the case of any question in relation to the Chairman, such question shall be referred to and decided by the Directors present at the meeting (other than the Chairman), whose decision shall be final and conclusive.

(c) A general notice in writing given to the Board by any Director to the effect that:-

(i) he is a member of a 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 that company or firm; or

(ii) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him (within the meaning of Section 64 of the 1980 Act)

shall (if such Director shall give the same at a meeting of the Board or shall take reasonable steps to secure that the same is brought up and

read at the next meeting of the Board after it is given) be deemed to be a sufficient declaration of interest in relation to any such contract.

#### **Disapplication of provisions of Articles 104 to 107**

108. The provisions of Articles 104 to 107 (inclusive) of these Articles may at any time be suspended or relaxed to any extent permitted by law, and either generally or in respect of any particular contract, arrangement or transaction and any transaction not duly authorised by reason of contravention of any of those Articles may be ratified, to the extent permitted by law, by the Company by Ordinary Resolution in General Meeting.

#### **Company not to make loans, quasi-loans or enter into credit transactions with Directors or shadow directors or connected persons.**

109. Save as permitted by the Statutes, the Board shall not
- (i) make a loan or a quasi-loan or enter into a credit transaction as a creditor for a Director (including a shadow director) of the Company or any person connected with such a Director; or
  - (ii) enter into any guarantee or provide security in connection with a loan or quasi-loan or credit transaction made by any person for such a Director or person so connected; or
  - (iii) take part in any arrangement whereby another person enters into such a transaction in return for a benefit from the Company or any Subsidiary; or
  - (iv) arrange for the assignment to it of any rights, obligations or liabilities of any such loan or quasi-loan to such a Director or persons so connected, save in every case as is provided by Part IV of the 1980 Act; and

for the purposes of this Article the expressions "quasi-loan", "credit transaction", "shadow director" and "connected person" shall have the meanings ascribed to them in sub-section (2) of Section 65, sub-section (3) of Section 65, Section 63 and Section 64 respectively of the 1980 Act.

#### **Director's places of profit in other companies**

110. Any Director may continue to be or become a director, managing director, manager or other officer, or holder of any place of profit under, employee or member of, any other company which the Company may control or in which it may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or holder of any place of profit under or employee or member of any such other company. The Board may exercise the voting power conferred by the shares in any other company held or owned by the Company, or exercisable by members of the Board as directors of such other company, in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing members of the Board

or any of them as directors, managing directors, managers or other officers or holders of any places of profit under or employees of such company, or voting or providing for the payment of remuneration to the directors, managing directors, managers or other officers or employees of such company), and subject to Articles 106 and 107 of these Articles any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or be about to be, appointed a director, managing director, manager or other officer or holder of any place of profit under, employee or member of, such other company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

#### **Pension and superannuation funds - charitable subscriptions**

111. The Board may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, disability benefits or emoluments to (or to any person in respect of) 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 or controlled by the Company or with or by any such subsidiary or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and hold or have at any time held any salaried employment or office in the Company or such other company, and the wives, husbands, widows, widowers, families and dependants of any such persons, and also establish and subsidise or subscribe to any institution, association, club or fund 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 any 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 always, if the Statutes shall so require, 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, any Director who holds or has held any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance, benefit, or emolument. A Director or former Director shall not be accountable to the Company or the members for any benefit of any kind conferred under or 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.

For the purposes of this Article, a company shall not be deemed to be a company which is allied to or associated with or controlled by the Company or any of its Subsidiaries unless the Group beneficially owns or owned at a date relevant for the purposes of Article 111 of these Articles 40 per cent or more of the equity share capital of the said company.



**Power to make provision for employees.**

112. The Board is hereby authorised to sanction (by resolution of the Board) the exercise of any power conferred upon the Company by Section 74 of the 1980 Act.

**VACATION OF OFFICE OF DIRECTOR**

**Age limit**

113. Any provisions of the Statutes including but not limited to Section 185 of the 1948 Act which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall apply to the Company.

**Vacation of office**

114. The office of a Director shall be vacated in any of the following events, namely:
- (i) if he shall become prohibited by law from acting as Director; or
  - (ii) if he ceases to be a Director by virtue of the Statutes or is removed from office pursuant to these Articles; or
  - (iii) if he shall resign by notice in writing under his hand left at or sent to the Registered Office or if he shall tender his resignation and the Directors shall resolve to accept the same; or
  - (iv) if he shall have a receiving order made against him or shall compound or make any arrangement with his creditors generally; or
  - (v) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
  - (vi) if he shall be absent from meetings of the Directors for 6 successive months without leave and his alternate Director (if any) shall not during such period have attended in his stead, and the Board shall resolve that his office be vacated; or
  - (vii) if notice in writing shall have been served upon him signed by all his co-Directors, but so that 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 by either party against the other for damages for breach of any contract of service between him and the Company.

### **MANAGING AND EXECUTIVE DIRECTORS**

**Appointment of Managing and Executive Directors -Executive Directors subject to retirement by rotation.**

115. The Board may from time to time appoint any one or more of their body to any executive office, including the office of Managing Director or Executive Director for such period and on such terms (as to remuneration and otherwise) as it thinks fit and subject to the provisions of any contract between him and the Company may revoke such appointment or vary the terms thereof. A Managing Director so appointed while holding such office shall not be subject to retirement by rotation and shall not be taken into account in determining the rotation or retirement of Directors. Any Director who is appointed to any executive office, including the office of Managing Director or Executive Director, shall be subject to the same provisions as to resignation or removal as the other Directors and his appointment shall automatically determine if he ceases from any cause to be a Director or (without prejudice to the terms of any contract of service between him and the Company) if the Board resolves that his term of office as Managing Director or other executive office be determined. Any resignation from office given by a Director to the Company pursuant to the provisions of sub-paragraph (ii) of Article 114 of these Articles shall have effect without prejudice to any claim by either party against the other for damages for breach of any contract of service between the relevant Director and the Company.

### **Remuneration for special or additional services**

116. A Director appointed to the office of Chairman, Deputy Chairman, Managing Director or Executive Director or other executive office or any Director who discharges any special duty or function or otherwise performs services any of which in the opinion of the Board are beyond the attention necessary for the performance of or are outside the scope of his ordinary duties as a Director or who by request goes or resides abroad on the business of the Company shall receive such additional remuneration (whether by way of salary, commission or participation in profits or otherwise) beyond that payable to him under the provisions of Article 95 of these Articles (if any) as the Board may determine.

### **Powers of Managing and Executive Directors**

117. The Board may entrust to and confer upon any Director appointed to the office of Managing Director or Executive Director or other executive office any of the powers exercisable by them as a Board other than the power to make calls or forfeit shares, upon such terms and conditions and with any 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 or vary all or any of such powers.

## **ROTATION OF DIRECTORS**

### **One-third of the Directors to retire annually**

118. Subject to the provisions of these Articles, one—third of the Directors for the time being, or, if their number is not 3 or a multiple of 3, the number nearest to but not exceeding one—third, shall retire from office at the Annual General Meeting in every year; PROVIDED always that if in any year the number of Directors who are subject to retirement by rotation shall be 2, 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. The Directors to retire by rotation shall include (so far as it is necessary to obtain the number required) any Director who wishes to retire and not offer himself for re-election.

### **Retiring Director to hold office until dissolution of meeting**

119. A Director retiring at a meeting shall:
- (i) retire forthwith where a resolution is passed to elect some other person in his place or a resolution for his re—election is put to the meeting and is lost; or
  - (ii) continue in office without break if he is re-elected or is deemed to have been re-elected; or
  - (iii) otherwise retain office until the dissolution of that meeting.

### **Directors who retire by rotation - retiring Director eligible for re-appointment**

120. Subject to the provisions of the Statutes and of these Articles, the Directors to retire in every year shall be those who have been longest in office since their last 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. A retiring Director shall be eligible for re-appointment.

### **Reappointment of a retiring Director**

121. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the vacated office by appointing the retiring Director or (subject to the provisions of the Statutes) some other person thereto, and in default the retiring Director, if willing to act, shall be deemed to have been re-appointed, except in any of the following cases:-
- (i) where at such meeting it is expressly resolved not to fill up such office; or
  - (ii) a resolution for the re-election of such Director is put to the meeting and is lost; or

- (iii) where such Director has given notice in writing to the Company prior to the meeting that he is unwilling to be re-elected; or
- (iv) where the default is due to the moving of a resolution in contravention of the next following Article; or
- (v) where such Director has attained any retiring age applicable to him as Director.

**Each re-appointment to be voted on separately**

122. At a general meeting a motion for the appointment of 2 or more persons as Directors of the Company 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.

**Notice required of an intention to propose a new Director**

123. No person other than a Director retiring at the meeting shall, unless recommended by the Board for appointment, be eligible for appointment to the office of Director at any General Meeting unless, not less than 6 nor more than 48 clear days before the day appointed for the meeting, there shall have been given to the Company at the Registered Office and not withdrawn prior to the time of the meeting:-
- (i) 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
  - (ii) notice in writing signed by the person to be proposed indicating his willingness to be appointed.

**Increase or reduction in permitted number of Directors**

124. Without prejudice to the next following Article, 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, and may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.

**Appointment of Director to fill a casual vacancy - retirement at next following Annual General Meeting - removal of Director by Ordinary Resolution.**

125. The Board 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 any maximum number (if any) fixed in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-appointment. 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.

### **Removal of Director by Ordinary Resolution**

126. The Company may, by Ordinary Resolution of which Special Notice has been given in accordance with Section 142 of the 1948 Act, remove any Director before the expiration of his period of office, and may, by an 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 a Director. Nothing in this Article shall be taken as depriving any Director removed hereunder of his right to claim compensation or damages in respect of the termination of his appointment as a Director or of any executive appointment ipso facto terminating with his appointment as a Director.

### **ALTERNATE DIRECTORS**

**A Director may appoint an alternate - power of alternate - approval of alternate by two thirds majority - revocation of appointment of alternate - remuneration of alternate.**

127. Any Director may, by writing under his hand, appoint any other Director or appoint any other person (whether a member of the Company or not) to be his alternate; and every such alternate 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 notice of meetings of the Board, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to have and exercise all the powers, rights, duties, and authorities (other than the power to appoint an alternate) of the Director appointing him; PROVIDED always that no such appointment of any person not being a Director shall be operative unless or until the approval of the Directors by a majority consisting of two-thirds of all the Directors shall have been given. A Director may at any time revoke the appointment of an alternate appointed by him, and appoint another person in his place (subject always to the proviso to the last preceding sentence) and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine; PROVIDED that if any Director retires whether by rotation or otherwise but is re-appointed by the meeting at which such retirement was due to take effect or is deemed to have been re-appointed by the meeting at which such retirement was due to take 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. Any appointment or revocation under this Article shall be effected by notice in writing under the hand of the Director making the same, and any such notice if sent to or left at the Registered Office shall be sufficient evidence of such revocation. Every such alternate 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 the Director appointing him. The remuneration of any such alternate shall be payable out of the remuneration payable to the Director appointing him, and shall consist

of such portion (if any) of the last mentioned remuneration as shall be agreed between such alternate and the Director appointing him.

### **PROCEEDINGS OF DIRECTORS**

#### **Meetings of the Board - determination of questions - Chairman's casting vote – convening of meetings.**

128. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman, or in his absence, any Deputy Chairman, or if at any meeting there be no Chairman or Deputy Chairman present, the Chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of his appointor, to a separate vote on behalf of the Director he is representing 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 Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom, but where such Director has appointed an alternate, due notice of such meeting shall be given to such alternate either personally or by sending the same through the post addressed to him at the address in the United Kingdom given by him to the Company. Notice of a Board meeting shall be deemed to be duly given to a Director or an alternate 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. A Director or an alternate Director may waive notice of any meeting either prospectively or retrospectively.

#### **Quorum**

129. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be 2. For the purposes of this Article an alternate Director shall be counted in a quorum but so that no less than 2 individuals shall constitute the quorum.

#### **Directors empowered to act unless number falls below prescribed minimum**

130. 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 of Directors fixed by or in accordance with these Articles, or fixed as the quorum necessary for the transaction of the business of the Board, the continuing Directors or Director may act for the purpose of filling up 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 2 members may summon a General Meeting for the purpose of appointing Directors.

#### **Chairman of the Board**

131. The Directors (if they think fit) may from time to time elect and remove a Chairman of their meetings and one or more Deputy Chairman of their

meetings and determine the period for which they are respectively to hold office. The Chairman or in his absence one of the Deputy Chairmen shall preside at all meetings of the Board, but if there be no Chairman or Deputy Chairman or if at any meeting neither the Chairman nor any Deputy Chairman be present and willing to act within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of that meeting.

#### **Validity of written resolution of Directors**

132. A resolution in writing signed by all the Directors for the time being in the United Kingdom, if constituting a majority of the Board or by all the members of a committee for the time being shall be as valid and effective as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors or members of the committee concerned. The signature of an alternate Director for the time being appointed as alternate for any Director who has not signed shall be deemed for the purposes of this Article to be the signature of the Director by whom the alternate Director is so appointed.

#### **Powers of a quorum of Directors**

133. A meeting of the Board 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 Board.

#### **Appointment of committee of Directors**

- \*134. The Board may delegate any of its powers to committees consisting of such person or persons (whether Directors or members of the Company or not) as it thinks 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 Board.

Any committee shall have power unless the Board directs otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons whether or not they are Directors or members of the Company. The number of any such co-opted persons must be less than one-half of the total number of the committee and no resolution of the committee shall be effective unless the majority of the members of the committee present at the relevant meetings are Directors.

\*Article amended pursuant to Special Resolution passed on 29th April 1988.

#### **Delegation of powers to a Director.**

135. The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers

but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

#### **Proceedings of a committee of Directors**

136. The meetings and proceedings of any such committee consisting of 2 or more persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations made by the Board under Article 134 of these Articles.

#### **Validity of acts of the Board or of a committee of the Board**

137. All acts done bona fide by any meeting of the Board, or of a committee of the Board, or by any person carrying out his duties as a Director or as a member of any committee of the Board shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director, or person carrying out such duties as aforesaid, or that they or any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or a member of any relevant committee and had been entitled to vote.

### **MINUTES**

#### **Minutes**

138. The Board shall cause minutes to be made:
- (i) of all appointments of officers and committees made by the Board; and
  - (ii) of the names of the Directors (and any alternate Directors) present at each meeting of the Board and of any committee of the Board and the name of any member of a committee who is not a Director but who is present at any meeting of the appropriate committee of the Board; and
  - (iii) of all resolutions and proceedings at all meetings of the Company, of the holders of any class of shares in the Company, and of the Board and of committees of the Board.

Any such minutes 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.

### **DIRECTORS' INTERESTS AND SERVICE CONTRACTS AND SUBSTANTIAL INDIVIDUAL INTERESTS IN SHARE CAPITAL**

#### **Statutory Registers**

139. The Company shall keep and make available for inspection as required by the Statutes copies or memoranda of the service contracts of Directors (including



shadow directors as defined in sub-section (1) of Section 63 of the 1980 Act), a register of Directors' interests in shares or debentures of the Company (or any other body corporate, being the Company's Subsidiary) and all other registers which the Company is required by the Statutes to keep and to be available for inspection and such contracts, memoranda and registers shall be kept at the Registered Office (or, as permitted by the Statutes, at any other place or places specified by the Board, of which such notice as is required to be given by the Statutes has been duly given to the Registrar of Companies) in the form required or permitted by the Statutes and each such document or register shall be open to the inspection of any member or holder of debentures of the Company or of any person acting on behalf of the Department of Trade between the hours of 10 a.m. and noon on each day during which the same is bound to be open for inspection pursuant to the Statutes. The said documents and registers shall (if required by the Statutes) also be produced at the commencement of each Annual General Meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.

## SECRETARY

### Appointment of and acts of the Secretary

140. (a) The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board, but without prejudice to any claim which such Secretary may have against the Company.
- (b) No person shall be appointed to the office of Secretary or joint Secretary after the date of the adoption of these Articles unless he shall be a person who is at all times whilst in office a person duly qualified in accordance with the provisions of Section 79 of the 1980 Act.
- (c) Anything by the Statutes or by these Articles 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 capable of acting by or to any officer of the Company authorised generally or specially in that behalf by the Board; PROVIDED that any provision of the Statutes 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.

## THE SEAL

### Custody and use of the Seal

141. The Board shall provide for the safe custody of the Seal and any Securities Seal and any other Official Seal and no such seal shall ever be affixed to any instrument except by the authority of a resolution of the Board or of a

committee of the Board authorised by the Board in that behalf; and such authority may be of a general nature and need not apply only to specific documents or transactions. The Board may from time to time make such regulations as it sees fit (subject to the provisions of Article 12 of these Articles in relation to share certificates and Article 17 of these Articles in relation to certificates of debenture stock or any other securities constituting the share or loan capital of the Company) determining the persons and the number of such persons in whose presence the Seal shall be used, and until otherwise so determined the Seal shall be affixed in the presence of one Director and the Secretary or of 2 Directors or of one Director and such other person as the Board may appoint for the purpose and in favour of any purchaser or person bona fide dealing with the Company the signatures of such persons shall be conclusive evidence of the fact that the Seal has been properly affixed.

#### **Securities Seal and Official Seal for use overseas**

142. The Company may have a Securities Seal and an Official Seal for use abroad under the provisions of the Statutes, where and as the Board 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 Securities Seal and 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 or Securities Seal as aforesaid.

### **AUTHENTICATION OF DOCUMENTS**

#### **Authentication of documents by Directors, the Secretary or any other person appointed by the Board**

143. Any Director or the Secretary or any person appointed by the Board 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 Board or any committee of the Board, and any books, records, documents and accounts relating to the business of the Company, and by certifying copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Registered Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee of the Board which 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 resolution, minute or extract is a true and accurate record of proceedings at a duly constituted meeting.

## DIVIDENDS

### Distribution of profits

144. The Company may by Ordinary Resolution declare dividends and such dividends shall be paid to the members in accordance with their respective rights and priorities, that is to say, in paying a dividend on the Ordinary Shares; PROVIDED that
- (i) no such dividend shall exceed the amount recommended by the Board;
  - (ii) no dividend or other distribution (as defined in sub-section (2) of Section 45 of the 1980 Act) shall be made save out of profits available for the purpose (as defined in sub-section (2) of Section 39 of the 1980 Act);
  - (iii) generally no dividend or other distribution (as so defined) shall be declared or made otherwise than in accordance with the provisions of the Statutes as they from time to time apply to the Company.

### Dividends only payable on paid - up and called - up capital

145. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as 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 rank for dividend as if paid up (in whole or in part) as from a particular date, such share shall rank for dividend accordingly.

### Interim dividends

146. Subject to the provisos contained in Article 144 of these Articles and to the provisions of the Statutes as they from time to time apply to the Company, the Board may
- (a) from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company;
  - (b) pay half yearly or at other suitable intervals to be settled by the Board any dividend expressed to be payable at a fixed rate if it is of the opinion that the profits of the Company justify the payment;
  - (c) if at any time the share capital of the Company is divided into different classes, declare and pay 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 PROVIDED that the Board acts bona fide the Directors 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 in the capital of the Company having deferred or non-preferred rights.

#### **Record dates for dividend payments and capitalisation distributions**

147. Any resolution resolving to pay a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Board, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights of transferors and transferees of any such shares inter se in respect of such dividend. The provisions of this Article shall mutatis mutandis apply to distributions by way of capitalisations to be effected pursuant to Article 156 of these Articles.

#### **Deduction from dividends of unpaid calls**

148. The Board 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 any shares of the Company.

#### **Company may retain unclaimed dividends**

149. The payment by the Board of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All unclaimed dividends or other moneys payable on or in respect of a share may be invested or otherwise made use of by the Board for the benefit of the Company until claimed; but so that any such dividend unclaimed after a period of 12 years from the date of declaration (in the case of a dividend) or the date when the same fell due (in case of such other moneys) shall be forfeited and shall revert to the Company. No dividend shall bear interest as against the Company.

#### **Dividend warrants**

150. 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 any case where 2 or more persons are registered as the joint holders of a share to the registered address of the joint holder who is first named on the Register, or to such person and such address as the member or all joint registered holders may in writing direct. In the case where 2 or more persons are entitled to a share in consequence of the death, bankruptcy or mental disorder of any registered

holder or by operation of law or any other event any cheque or warrant sent through the post pursuant to the provisions of this Article shall be sent to the address recorded in the Register as the address of the first named of such persons or to such person and such address as all the persons 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 of such other person as the holder or joint holders or persons entitled may in writing direct, and payment of the cheque or warrant, if purporting to be duly endorsed, or where unendorsed appearing to have been duly paid by the banker on whom it is drawn, 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.

**Any joint holder may give receipt for a dividend**

151. If several persons are registered as the joint holders of a share or are entitled thereto in consequence of the death, bankruptcy or mental disorder of the holder or by operation of law or any other event, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

\* Company not obliged to send dividend warrants to untraced shareholders

- 151A. (a) Without prejudice to the Company's rights under Articles 47A and/or 149 of these Articles the Company shall not be required to despatch warrants or cheques in respect of dividend payments or other monies payable to any member entitled thereto in respect of any shares registered in his name if during the immediately preceding period of 12 years such member has not encashed any dividend warrant or cheque sent to him at the address appearing against his name in the Register (or which has been sent to him at such other address, or to such other person at such other address, as such member shall have instructed the Company to pay dividends otherwise payable to him at his registered address) PROVIDED that at least 3 such warrants or cheques have been sent during the relevant period of 12 years and PROVIDED that the Company shall be obliged to re-commence sending such warrants or cheques immediately after receipt of written notifications signed by the member of his intention to encash such warrants or cheques sent to him (or as he shall instruct) thereafter.
- (b) The Board may exercise the powers of the Company conferred by paragraph (a) of this Article in respect of any dividend or other such payment falling due to be paid one month after notice has been served on the relevant member by recorded delivery post of the Company's intention to exercise such powers.

**Payment of dividend in specie**

152. A General Meeting declaring a dividend may, only if the Board has so recommended, direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares, debentures

or debenture stock of any other company or in any one or more of such ways, and the Board shall give effect to such resolution; and

where any difficulty arises in regard to the distribution it may settle the same as it thinks 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 values 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 Board, 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 it thinks fit.

\* New Article adopted pursuant to Special Resolution passed on 29th April 1988.

#### **Company may withhold dividends from personal representatives**

153. The Board may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become the registered holder, or which any person is under those provisions entitled to transfer, until such person shall become the registered holder in respect of such shares or shall transfer the same. Upon such person either becoming the registered holder of such shares or transferring all such shares, the Company shall pay, without interest, the dividends (if any) which have been retained on such shares; PROVIDED that such shares are fully paid, or if partly paid that the Company has no lien on any such shares.

#### **RESERVES**

**Board may carry profits to reserve - investment of reserves - carry forward of profits.**

154. The Board 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 Board, be applicable for any purpose to which the profits of the Company may be properly 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 as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to pay as dividend.

#### **Depletion of assets**

155. If at any time the net assets (as defined in sub-Section (4)(c) of Section 87 of the 1980 Act) of the Company are half or less of the amount of the Company's called up share capital, the Board shall, not later than 28 days from the

earliest day on which that fact is known to any Director of the Company, duly convene an Extraordinary General Meeting of the Company for a date not later than 56 days from that day for the purpose of considering whether any, and if so what, measures should be taken to deal with the situation.

### CAPITALISATION OF PROFITS

#### Capitalisation issues

156. (a) The Company in General Meeting may upon the recommendation of the Board at any time and from time to time and subject as hereinafter provided, by Ordinary Resolution resolve:-
- (i) to capitalise any undivided profits of the Company (whether or not the same could have been distributed as dividend under the provisions of Article 144 of these Articles and including profits carried forward or standing to any reserve) 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 any sum standing to the credit of the Company's Share Premium Account or any Capital Redemption Reserve Fund;
  - (ii) that the Board 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 applied or applicable in paying dividends and in the same proportions 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, debentures or other securities held by such members respectively, or in paying up in full unissued shares, debentures or other securities of the Company of a nominal amount equal to such profits or sum, and to allot and distribute such shares, debentures or other securities credited as fully paid up, to and amongst such members, or as they may direct, in the proportion aforesaid, or partly in one way and partly in the other;
  - (iii) that any shares allotted under this Article to any member in respect of a holding by him of any partly-paid Ordinary Shares shall, so long as such Ordinary Shares remain partly-paid rank for dividends only to the extent that such partly-paid Ordinary Shares rank for dividend

PROVIDED that the Share Premium Account and the Capital Redemption Reserve Fund and any such profits which could not have been distributed as dividend under the provisions of Article 144 of these Articles 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 or partly paid and that no unrealised profits shall be applied in

paying up any debentures of the Company or any amount unpaid on any share in the capital of the Company.

- (b) This Article is subject to any special conditions which may be attached to any shares hereafter issued, or upon which any shares may for the time being be held.

#### **Board to effect capitalisations**

157. Whenever a resolution is passed in pursuance of Article 156 of these Articles the Board shall:-

- (i) allot unissued shares, debentures or other securities of the Company, as the case may be, to the amount authorised by the resolution credited as fully paid up amongst the holders of the shares entitled to participate therein as nearly as may be in the proportion in which such profits or sum would have been divisible amongst them had the same been applied or applicable in paying dividends and in the same proportions with full power to the Board to make such provisions by the issue of fractional certificates or otherwise as they think fit for the case of fractions, and prior to such allotment the Board may, if thought fit, authorise any person to enter on behalf of all the members to be entitled to the said shares, debentures or other securities of the Company into an agreement with the Company providing for the allotment to them in the proportion aforesaid credited as fully paid up as aforesaid of the shares, debentures or other securities authorised by the resolution to be distributed amongst them, and any agreement made under such authority shall be effective and binding on all the holders of the said shares, debentures or other securities of the Company for the time being; and the Board shall have power generally to do all acts and things required to give effect to such resolutions as aforesaid. Whenever on any issue of shares, debentures or other securities of the Company in pursuance of Article 136 of these Articles the value of a fractional entitlement thereof shall be less than £2.00 in respect of any one or more members, the proceeds of sale (after the deduction of the proper expenses of such sale) of each and every such fractional entitlement amounting to less than £2.00 shall belong to and be vested in the Company. For the purpose of giving effect to any such sale, the Board may authorise some person to transfer the securities sold to the purchaser thereof and the purchaser shall be registered as the holder of the securities comprised in any such transfer and he shall not be bound to see the application of the purchase money nor shall his title to the said securities be affected by any irregularity or invalidity in the proceedings relating to the sale; or (if the resolution so specifies)
- (ii) apply such profits or sum on behalf of the members entitled thereto in paying up the amounts, if any, unpaid on any shares, debentures or other securities held by such members.



## ACCOUNTS

### Keeping of accounts and retention of accounting records

158. The Board shall cause to be kept proper accounts and accounting records in accordance with the requirements of the Statutes and in particular with respect to:-
- (i) all sums of money received and expended by the Company from day to day and the matters in respect of which the receipt and expenditure take place; and
  - (ii) all sales and purchases of goods and services by the Company; and
  - (iii) the assets and liabilities of the Company; and
  - (iv) all statements of stocktakings whenever made.

### Location of accounting records

159. The books of account and accounting records shall be kept at the Registered Office, or (subject to the provisions of the Statutes) at such other place as the Board thinks fit, and shall always be open to inspection by the Directors and any other officers of the Company. No member (other than an officer of the Company) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or as authorised by the Board or by the Company in General Meeting.

### Accounts to be laid before general meetings

160. The Directors shall from time to time, in accordance with the provisions of the Statutes, 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 Statutes.

### Auditors' Report

161. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection as required by the Statutes.

### Reports and Accounts to be delivered to members, debenture holders and Auditors

162. 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 Statutes to be annexed to the Balance Sheet shall, not less than 21 clear days previous to the Annual General Meeting, be delivered or sent by post to the registered address of every member and holder of debentures or debenture stock of the Company and to the Auditors and to every other person, if any, who is entitled by these Articles or the Statutes to receive copies of such documents and/or notices of meetings from the Company. Upon a listing of all or any of the shares or securities

comprising the share or loan capital of the Company being for the time being granted on The Stock Exchange (or on any other stock exchange in the United Kingdom or elsewhere), the required number of copies of each of these documents shall at the same time be forwarded to the appropriate officer of such stock exchange.

PROVIDED that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures or debenture stock or person entitled by the Statutes or these Articles to receive a copy of these documents to whom a copy has not been sent shall be entitled to receive a copy free of charge on application at the Registered Office.

#### **Audited accounts approved at Annual General Meeting to be conclusive**

163. Every Account of the Directors or Balance Sheet when audited and approved by an Annual General Meeting shall be conclusive except as regards any error discovered therein within 3 months next after the approval thereof. Whenever such an error is discovered within that period, the Account or Balance Sheet shall forthwith be corrected and thereupon shall be conclusive.

### **AUDIT**

#### **Appointment of Auditors**

164. An Auditor or Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes.

#### **Accounts to be audited annually**

165. Once at least in every year the Accounts of the Company shall be examined and the Balance Sheet, Profit and Loss Account and the Group Accounts, if any, reported upon by an Auditor or Auditors.

#### **Validity of acts of Auditors**

166. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

#### **Right of Auditors to receive notice of and attend and speak at General Meetings**

167. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

## NOTICES

### Service of notices

168. Any notice or document (including a share certificate) may be served by the Company on any member either personally or by sending it through the post in a prepaid cover addressed to such member at his address as appearing in the Register or such other address as he may from time to time notify in writing to the Company as his address for service. 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, shall have been duly given to the person from whom he derives his title to such share.

### Notice to joint holders

169. In the case of joint registered holders of a share, all notices shall be given to that one of the joint holders or persons whose name stands first in the Register in respect of the joint holding; and in the case of persons jointly entitled to a share by reason of the death or bankruptcy of the registered holder all notices shall be given to any one of such persons; and notice so given shall be sufficient notice to all the joint holders or persons.

### Members registered abroad entitled to give an address in the United Kingdom for service

170. Any member described in the Register 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 by an address within the United Kingdom shall be entitled to receive any notice from the Company.

### Member present at General Meeting deemed to have received notice

171. Any member present, either personally 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.

### Advertisement of notice

172. 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 2 leading daily newspapers published in London.

### When service effected

173. Any notice or other document, if served by post, shall be deemed to have been served or delivered at the expiration of 24 hours (or where second-class

mail is employed, 48 hours) after the cover containing the same is posted, and in proving such service it shall be sufficient to prove that the cover 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 before noon on the day on which the advertisement appears.

#### **Service of notice or delivery of document to deceased or bankrupt member**

174. 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 have notice of the death, bankruptcy, insanity, incapacity or liquidation of such member be deemed to have been duly given or 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 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.

#### **Convening of meetings by advertisement**

175. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom and/or the Republic of Ireland the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least 2 leading daily newspapers with appropriate circulation, one of which at least shall be a leading London daily newspaper; and such notice shall be deemed to have been duly served on all members entitled thereto before noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addresses throughout the United Kingdom and/or Republic of Ireland again becomes practicable.

### **WINDING-UP**

#### **Distribution of assets in specie**

176. In the winding-up (whether the liquidation is voluntary, under supervision, or by the Court) of the Company the liquidator may, with the authority of an Extraordinary Resolution and after making any provision sanctioned in accordance with the provisions of Section 74 of the 1980 "Act, 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 but so that if any such division shall be otherwise than in accordance with the existing rights of the members every member shall have the same right of dissent and other ancillary rights as if the determination were a Special Resolution passed in accordance with

Section 287 of the 1948 Act. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of contributories 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. The liquidator may make any provision and any payment referred to in and sanctioned in accordance with the provisions of Section 74 of the 1980 Act.

## INDEMNITY

### Indemnity to Directors and other officers

177. Subject to the provisions of the Statutes, 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.