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**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
N.M. ROTHSCHILD & SONS  
LIMITED**

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COMPANY LIMITED BY SHARES

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**MEMORANDUM OF ASSOCIATION**  
**OF**  
**N. M. ROTHSCHILD & SONS LIMITED**

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1. The name of the Company is "N. M. ROTHSCHILD & SONS LIMITED".<sup>1</sup>
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
  - (1) To carry on business as merchant bankers, including the borrowing, raising and taking-up of money, lending and advancing money, securities and property; drawing, issuing, accepting, indorsing, discounting, negotiating, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, script and other instruments and securities, whether transferable or negotiable or not; granting and issuing letters of credit and circular notes; buying, selling, and dealing in bullion and specie; acquiring, holding, placing, issuing on commission or otherwise, underwriting, sub-underwriting, obtaining options over and dealing in stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds; negotiating loans and advances; receiving money and valuables on deposit, or for safe custody, or otherwise; collecting and transmitting money and securities; guaranteeing either gratuitously or for reward the performance of the obligations of any person, firm or company or of any municipal or other

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<sup>1</sup> Note: the name of the Company was changed from "N. M. ROTHSCHILD & COMPANY LIMITED" to "N. M. ROTHSCHILD & SONS LIMITED" by Special Resolution on 30th September, 1970.

authority or public body, and in particular the guaranteeing of the payment of money, whether in respect of principal, interest or dividends, upon any bonds, debentures, debenture stocks, mortgages, charges, obligations and securities or stocks or shares of any government, municipal, local or other authority, public or private body, person or company, whether incorporated or not incorporated; managing property and transacting all kinds of indemnity, guarantee, insurance agency and other agency business.

- (2) To carry on the business of an investment company and finance company and to invest the funds of the Company in, and to acquire whether by original subscription, tender, purchase, exchange or otherwise and hold either for itself or as agent, nominee or trustee of any person, firm or company shares, stocks, debentures and debenture stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in the United Kingdom or in any dominion, colony, dependency or possession thereof, or in any foreign country, and any right or interest therein, and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any government, sovereign, ruler, commissioners, public body or authority (supreme, municipal, local or otherwise), whether at home or abroad, and in any right or interest therein, and annuities for any period or periods, whether certain or uncertain, or on the life or lives of any person or persons and any right or interest therein, and from time to time to vary any such investments.
- (3) To act either gratuitously or otherwise as agent, nominee, attorney or trustee to or for any person, firm, company, corporation, state, colony, province, dominion, sovereign, ruler or authority (supreme, municipal, local or otherwise), either solely or jointly with any other person, firm or company, and to undertake the office of executor, administrator, director, manager, secretary, treasurer or registrar and to undertake any duties in relation to the management of trusts, the registration of transfers, the issuer of certificates or otherwise incidental to any such office.

- (4) To purchase, sell or deal in any foreign or other exchanges or currencies and either alone or in conjunction with any authorities, companies, firms or persons in any part of the world to promote, negotiate and carry into effect compensation, exchange, barter and similar transactions in respect of any merchandise, commodities, livestock, machines, machinery, metals, minerals, textiles, raw materials, manufactured and semi-manufactured articles and products, materials, articles and substances of all descriptions or otherwise howsoever.
- (5) To manufacture, win, extract, smelt, treat, dress, reduce, refine, process, amalgamate, manipulate, prepare for market, buy, sell and otherwise deal in metals and metallurgical products, metallic and other ores and minerals and chemicals of all descriptions and all or any residuals, derivatives, by-products, alloys or compounds thereof and all kinds of articles, substances and things manufactured or produced therefrom, and to carry on business as merchants and dealers in and as exporters, importers, factors, distributors and suppliers of all or any of such materials, substances, articles and products as aforesaid; to acquire, operate, establish, or manage or assist in the establishment or management of factories, refineries and chemical and assaying laboratories for analytical and testing purposes and generally to undertake and carry on the business of metallurgists, amalgamators, chemists and mineralogists, and to manufacture and deal in all kinds of articles and things required for the purposes of any such business as aforesaid or commonly dealt in by persons engaged in any such business.
- (6) To carry on business and to act as manufacturers, barterers, traders, capitalists, financiers and concessionaires, exporters and importers of goods and merchandise of all kinds, general merchants, ship, barge and boat owners, charterers of ships, cold and general storage proprietors, warehousemen, wharfingers, carriers by land, sea and air, contractors, stock owners and breeders, farmers, graziers, slaughterers, estate owners and managers, mechanical, electrical and general engineers, carpenters, joiners, woodworkers, builders and manufacturers of

goods, machinery and other commodities of all kinds, and to undertake and carry on and execute all kinds of commercial, trading, financial and other operations.

- (7) To enter into or finance contracts for or in relation to the purchase or sale of (whether by hire purchase or otherwise) and to acquire, buy, sell, lend upon or deal in raw materials, crops, produce, livestock and commodities of all kinds, manufactured and semi-manufactured articles, and real and personal property of all kinds, and generally to purchase, take on lease or tenancy, hire or otherwise acquire for any estate or interest, and to take options over, any property, real or personal, or rights of any kind which may appear to be necessary or convenient for any business of the Company (in any part of the world) and to develop, turn to account and deal with the same as may be thought expedient.
- (8) To build, construct, carry out, maintain, alter, pull down, improve, repair, manage, work, control and superintend any factories, refineries, metallurgical works, warehouses, shops and buildings of every description, roads, ways, tramways, railways, motors, and other vehicles for use on land or sea or in the air, machinery, engines, heating and lighting plants of every description, bridges, reservoirs, water-courses, aqueducts and other works and conveniences of whatsoever description which may seem directly or indirectly conducive to any of the objects of the Company, and to contribute to, subsidise or otherwise aid or take part in any such operations.
- (9) To construct, equip and carry on work for the manufacture of gas and electricity and to lay mains and pipes and carry on the business of the provision and supply of electricity, gas and water and to provide and fix electric, gas and water fittings.
- (10) To promote, form, constitute or establish or concur or participate in the formation, constitution, promotion or establishment of any corporation, company, syndicate, association or undertaking of any kind in any part of the world and to subscribe for or secure by underwriting or otherwise the subscription of any part of the capital of any such corporation, company, syndicate, association

or undertaking and to pay any commission, brokerage or other remuneration in connection therewith.

- (11) To purchase, apply for, or otherwise acquire and hold, use, exercise, develop, grant licences in respect of, sell or otherwise turn to account, disclaim, alter or modify in any part of the world letters patent, patent rights, brevets d'invention, licences, inventions, concessions, protection, secret or other information as to any invention, mechanism or process, and any other rights or privileges, whether exclusive or non-exclusive or limited, and to acquire, use and register trade marks, trade names and registered and other designs and rights of copyright.
- (12) To insure against fire, storms, marine or other risks any of the company's property, to enter into mutual insurance, indemnity or protection associations, to underwrite on the Company's account any part of such risks, and to insure against claims for compensation to workmen or other persons by mutual insurance or otherwise.
- (13) To amalgamate with or enter into partnership on any terms as to share of profits, remuneration or otherwise or any joint purse of profit-sharing arrangement with, or co-operate or participate in any way with any company or person carrying on or proposing to carry on any business within the objects of the Company.
- (14) To prosecute and execute directly, or by contributions or other assistance or participation, any works, undertakings, projects or enterprises, in which, or for the prosecution whereof, or on the security whereof, or of any profits or emoluments derivable therefrom, the Company shall have invested money, embarked capital or engaged its credit.
- (15) To borrow and raise money and secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit, and in particular by mortgages of or charges upon the undertaking and all or any of the real and personal property (present and future), and the uncalled capital of the Company or by the creation and issue on such terms as may be thought

expedient of debentures, debenture stock or other securities of any description, and to issue any of the Company's shares, stock, securities or other obligations for such consideration (whether for cash, services rendered or property acquired or otherwise) and on such terms as may be thought fit.

- (16) To sell, exchange, mortgage (with or without a power of sale) let on rent, share of profit, royalty or otherwise, grant licences, easements, options, servitudes and other rights over and in any other manner deal with or dispose of the undertaking, real or personal property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and in particular for stocks, shares, whether fully or partly paid up, debentures, debenture stock or other obligations or securities of any other company.
- (17) To purchase or otherwise acquire, take over, undertake and carry on, wholly or in part for shares or cash or otherwise howsoever and as a going concern or otherwise, all or any part of the business, property, goodwill, assets and liabilities of any person or company.
- (18) To enter into any arrangement with any government or other authority (supreme, municipal, local or otherwise) company or person that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority, company or person any subvention rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, subventions, rights, privileges and concessions.
- (19) To invest and deal with the moneys of the Company upon such investments and in such manner as may from time to time be determined.
- (20) To remunerate any person or company rendering services to this Company, either by cash payments or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part, or otherwise as may be thought expedient.

- (21) To remunerate the Directors, officials and servants of the Company and others out of or in proportion to the returns of profits of the Company or otherwise as the Company may think proper, and to formulate and carry into effect any scheme for sharing the profits of the Company with employees of the Company or any of them.
- (22) To grant pensions, gratuities or loans to any employees or ex-employees of the Company or of its predecessors in business, or of any of its associated or subsidiary companies or businesses, or to the relatives, connections or dependants of any such persons, and to establish or support associations, institutions, clubs, funds and trusts calculated to benefit any such persons, or otherwise advance the interests of the Company or of its Members. For the purposes of this paragraph the word "employee" shall include Directors and other officers as well as servants.
- (23) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person or Company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures, debenture stock or securities of this Company.
- (24) To procure the registration or incorporation of the Company in or under the laws of any place outside England.
- (25) To establish agencies and branches and to appoint agents and others to assist in the conduct or extension of the Company's businesses and to regulate and discontinue the same.
- (26) To subscribe, guarantee or make gifts of money or any property or assets of whatsoever nature for any national, charitable, benevolent, public, general or useful object, or for any exhibition.<sup>2</sup>

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<sup>2</sup> Note: On 13 July 1999 it was resolved to change object 3(26) from "To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object, or for any exhibition." to the current object 3(26).

- (27) To distribute any of the property of the Company among its Members in specie.
- (28) To carry on any other business which may seem to be capable of being conveniently carried on in connection with any of the foregoing objects, or calculated, directly or indirectly, to enhance the value of or facilitate the realisation of or render profitable any of the Company's property or rights.
- (29) To do all or any of the things and matters aforesaid in any part of the world and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (30) To do all such lawful things as are incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the objects specified in each paragraph of this clause shall not, except where the context expressly so requires, be in anywise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of such paragraphs or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary merely to the objects mentioned in the first or any other paragraph of this clause, but the Company shall have power to carry out and exercise all or any of the objects and powers conferred by any paragraph of this clause in as full and ample a manner and such objects and powers shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

4. The liability of the Members is limited.

5. The share capital of the Company is £15,000<sup>3</sup> divided into 15,000 shares of £1 each, with power to divide the shares in the capital for the time being, whether original or increased into several classes, and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions.

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- 3 Notes: (1) On 30th September, 1970, the capital of the Company was by various Special Resolutions increased and reorganised so as to be £10,000,000 divided into 9,000,000 Ordinary Shares of £1 each and 1,000,000 Management Shares of £1 each.
- (2) On 16th February, 1972 it was resolved that the Share Capital of the Company be increased to £11,000,000 by the creation of 1,000,000 Management Shares of £1 each.
- (3) On 7th March, 1980 it was resolved that the Share Capital of the Company be increased to £20,000,000 by the creation of 9,000,000 Management Shares of £1 each.
- (4) On 24th July, 1980 it was resolved that each of the 11,000,000 Management Shares of £1 each be redesignated as an Ordinary non-voting Share of £1.
- (5) On 5th November, 1985 it was resolved that each of the Ordinary non-voting Shares of £1 each be converted into and classified as an Ordinary Share of £1 ranking *pari passu* in all respects with the existing Ordinary Shares of £1 each.
- (6) On 31st March, 1988 it was resolved that the Share Capital of the Company be increased to £50,000,000 divided into 50,000,000 Ordinary Shares of £1 each.

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

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**NAMES, ADDRESSES AND  
DESCRIPTIONS OF  
SUBSCRIBERS**

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**Number of Shares taken  
by each Subscriber**

MICHAEL BUCKS,  
New Court,  
St. Swithin's Lane  
London EC4

1  
Ordinary

Banker

JACOB ROTHSCHILD,  
New Court,  
St. Swithin's Lane,  
London, EC4

1  
Ordinary

Banker

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Dated this 20th day of December,  
1967.

Witness to the above signatures:-

CATHERINE R. SMITHERAM,  
New Court,  
St. Swithin's Lane,  
London, EC4

Private Secretary

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION  
OF  
N. M. ROTHSCILD & SONS LIMITED

(As at 26 March 1997)

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PRELIMINARY

1. The regulations in Table A in the First Schedule to the Companies Act 1948 shall not apply to the Company.

INTERPRETATION

2. In these Articles, unless the context otherwise requires:-

***the Act*** means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

***the Articles*** means the Articles of association of the Company.

***the auditors*** means the auditors for the time being of the Company;

***clear days*** in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

***director*** means a director of the Company;

***dividend*** means dividend or bonus;

***executed*** includes any mode of execution;

***the holder*** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

***member*** means a member of the Company;

**the Memorandum** means the memorandum of association of the Company;

**office** means the registered office of the Company;

**paid** means paid or credited as paid;

**the register** means the register of members of the Company;

**the seal** means the common seal of the Company;

**secretary** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**the United Kingdom** means Great Britain and Northern Ireland;

**in writing** means written, or produced by any visible substitute for writing, or partly one and partly another;

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

words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force at 7 December 1988; and

references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

### **SHARE CAPITAL**

3. The share capital of the Company is £50,000,000 divided into 50,000,000 Ordinary Shares of £1 each.

4. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution

determine or, subject to and in default of such determination, as the directors shall determine.

5. Subject to the provisions of the Act relating to authority, pre-emption rights and otherwise and of any resolution of the Company in general meeting passed pursuant thereto, all unissued shares for the time being in the capital of the Company shall be at the disposal of the directors, and the directors may (subject as aforesaid) allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as they think fit. This power shall not apply to redeemable shares, which shall be governed by the provisions of Article 6.

6. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the Articles.

7. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

#### **MODIFICATION OF RIGHTS**

9. Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class, or with the sanction of an extraordinary resolution passed at a separate general meeting of such holders (but not otherwise). All the provisions of the Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every such separate meeting, except that:-

- (a) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class or, at any adjourned meeting of such holders, one holder present in person or by proxy, whatever the

amount of his holding, who shall be deemed to constitute a meeting; and

- (b) any holder of shares of the class present in person or by proxy may demand a poll; and
- (c) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.

10. Unless otherwise provided by the rights attached to any shares, those rights shall be deemed to be varied by the allotment of further shares ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by such first mentioned shares, but shall not otherwise be deemed to be varied by the creation or issue of further shares.

### **SHARE CERTIFICATES**

11. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

12. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

### **LIEN**

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time (generally or in particular cases) waive any lien or declare any share to be wholly or in part exempt from the

provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

14. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

15. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The purchaser 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 in or invalidity of the proceedings in reference to the sale.

16. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES AND FORFEITURE**

17. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

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

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

20. If a call or any instalment of a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

21. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.

22. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

23. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) the appropriate rate (as defined by the Act) as may be agreed upon between the directors and such member.

24. If a call or any instalment of a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

25. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

26. Subject to the provisions of the Act, a forfeited share shall be deemed to belong to the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors

determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

27. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

28. The directors may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

29. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of 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 in or invalidity of the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

30. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

31. The directors may in their absolute discretion and without assigning any reason therefor refuse to register the transfer of any share. They may also refuse to register a transfer unless -

- (a) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- (b) it is in respect of only one class of shares; and
- (c) it is in favour of not more than four transferees.

32. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

33. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.

34. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

35. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

### **TRANSMISSION OF SHARES**

36. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

37. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the directors may properly require as to his entitlement, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the provisions of the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member or other event giving rise to the transmission had not occurred.

38. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall, upon such evidence being produced as the directors may properly require as to his entitlement and subject to the requirements as to his entitlement and subject to the requirements of Article 37 and the provisions of Article 127, have the rights to which he would be entitled if he were the holder of the share, and may give a discharge for all dividends and other moneys payable in respect of the share, but he shall not, before being registered as the holder of the share, be entitled in respect of it to receive notice of or to attend or vote at any meeting of the Company or to receive notice of or to attend or vote at any separate meeting of the holders of any class of shares in the Company. The directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

#### **ALTERATION OF SHARE CAPITAL**

39. The Company may by ordinary resolution -

- (a) increase its share capital by new shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- (d) cancel 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.

40. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee

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 in or invalidity of the proceedings in reference to the sale.

41. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

### **PURCHASE OF OWN SHARES**

42. Subject to the provisions of the Act and without prejudice to any relevant special rights attached to any class of shares, the Company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

### **GENERAL MEETINGS**

43. All general meetings other than annual general meetings shall be called extraordinary general meetings.

44. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

### **NOTICE OF GENERAL MEETINGS**

45. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed -

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

46. The accidental omission to give notice of a meeting or to send a form of proxy to, or the non-receipt of notice of a meeting or form of proxy by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

47. All business shall be deemed special that is transacted at an extraordinary meeting, and also all business that is transacted at an annual general meeting with the exception of declaring dividends, the consideration of the accounts and balance sheet, the ordinary reports of the directors and auditors and any other documents annexed to the balance sheet, the election of directors in the place of those retiring by rotation or otherwise, the re-appointment of retiring auditors, the fixing of the remuneration of the auditors and the voting of remuneration or extra remuneration to the directors.

48. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

49. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved and in any other case shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine and at such adjourned meeting, one member present in person or by proxy (whatever the number of shares held by him) shall be deemed to constitute a meeting and shall be a quorum.

50. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors

present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

51. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

52. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

53. The chairman may, with the consent of a 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 an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

54. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded -

- (a) by the chairman; or
- (b) by at least two members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

55. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to

that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

56. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll.

57. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

58. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

59. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

60. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

61. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

## **VOTES OF MEMBERS**

62. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

63. In the case of joint holders 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 seniority shall be determined by the order in which the names of the holders stand in the register of members.

64. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, at any time before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

65. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

66. 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 tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

67. 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.

68. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.

69. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in any usual form or in any other form which the directors may approve.

70. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or written authority or in some other way approved by the directors may -

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded at any time before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

71. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

#### **NUMBER OF DIRECTORS**

72. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

## **ALTERNATE DIRECTORS**

73. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.

74. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

75. An alternate director shall cease to be an alternate director -

- (a) if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment;
- (b) on the happening or any event which, if he were a director, would cause him to vacate his office as director;
- (c) if he resigns his office by notice to the Company.

76. Any appointment or removal of an alternate director shall be either by notice to the Company signed by the director making or revoking the appointment which shall take effect in accordance with the terms of the notice (subject to any approval required by Article 73) upon receipt of such notice at the office or in any other manner approved by the directors.

77. Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

78. An alternate director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a director but shall not in respect of his services as an alternate director be entitled to receive any remuneration from the Company. An alternate

director shall be entitled to be indemnified by the Company to the same extent as if he were a director.

### **POWERS OF DIRECTORS**

79. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

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

81. The directors may from time to time and at any time appoint any person or persons to any post with such descriptive title including that of director (whether as assistant, local, divisional, departmental, deputy, associate, regional, technical or advisory director or otherwise) as the directors may determine and may define, limit, vary, restrict and annul the powers, authorities and discretions of any person or persons so appointed and may fix and determine their remuneration and duties and subject to any contract between them and the directors may remove from such post any person so appointed. Any person so appointed shall not in such capacity be a director of the Company for any of the purposes of these Articles or of the Act. The expression "director" or "directors" where used in these Articles shall not include any person or persons appointed pursuant to this Article.

82. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise

executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.

### **DELEGATION OF THE POWERS OF THE BOARD**

83. The board may delegate any of its powers to one or more of its Representatives or to any committee consisting of one or more directors of the Company or of its Representatives (and for the purpose of this Article, **Representatives** shall mean either N M Rothschild Corporate Finance Limited or N M Rothschild Banking Limited or both of them together as the context requires). The board may also delegate to any director of the Company or of any Representative holding any executive office such of its powers as the board considers desirable to be exercised by him. Any such delegation shall, in the absence of express provision to the contrary in the terms of the delegation, be deemed to include authority to sub-delegate to one or more directors of the Company or of the relevant Representative (whether or not acting as a committee) or to any employee or agent of the Company or of the relevant Representative all or any of the powers delegated and may be subject to such conditions as the board may specify, and may be revoked or altered. The board may co-opt on to any such committee persons other than directors of the Company or of a Representative, who may enjoy voting rights in the committee. The co-opted members shall be less than one-half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are directors of either the Company or any Representative. Subject to any conditions imposed by the board, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying provided that the quorum for the transaction of the business of any committee appointed under this Article shall be such a number as determined by the board (and the minimum such number so determined shall be two) and failing such determination the quorum shall be two.

### **BORROWING**

84. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

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

85. At every annual general meeting there shall retire: (a) any director who has attained the age of 70 years or over; and (b) one-third of the

directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire. Directors retiring pursuant to Article 85(a) shall not be taken into account in determining the directors who are to retire in rotation at the meeting.

86. Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

87. If the Company, at the meeting at which a director retires pursuant to Article 85 or Article 91, does not fill the vacancy thereby created the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.

88. No person other than a director retiring pursuant to Article 85 or Article 91 shall be appointed or reappointed a director at any general meeting unless -

- (a) he is recommended by the directors; or
- (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.

89. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring pursuant to Article 85 or Article 91 at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors.

90. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

91. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, subject to Article 87, he shall vacate office at the conclusion thereof.

92. Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting. A director who retires in accordance with Article 85(a) shall, if re-appointed, retire at the annual general meeting next subsequent to his reappointment in accordance with that Article.

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

93. The office of a director shall be vacated if -

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either -
  - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

- (d) (not being a director holding office as such for a fixed term) he resigns his office by notice to the Company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

94. The immediate holding company (if any) for the time being of the Company may remove any director from office. Every such removal shall be in writing and signed by or on behalf of the said holding company and shall take effect upon receipt at the registered office of the Company or by the secretary.

### **QUALIFICATION AND REMUNERATION OF DIRECTORS**

95. It shall not be necessary for a director to hold any share qualification. A director who is not a member of the Company or not the holder of a share of any class entitling the holder to vote at the meeting shall, nevertheless, be entitled to receive notice of and attend at every general meeting of the Company but not to vote thereat.

96. The directors shall be paid out of the funds of the Company as remuneration for their services such sums as the Company in general meeting may from time to time determine and such remuneration shall be divided among them in such proportions and manner as the directors may determine and in default of determination equally. The remuneration shall be deemed to accrue from day to day.

97. A director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. The directors shall also be entitled to be repaid by the Company all such reasonable travelling (including hotel and incidental) expenses as they may incur in attending meetings of the directors, or of committees of the directors, or general meetings, or which they may otherwise incur in or about the business of the Company.

98. Any director who by request performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine.

### **DIRECTORS' APPOINTMENTS AND INTERESTS**

99. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office (except that of auditor) under the Company and

may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.

100. Any appointment of a director to the office of managing director or an executive office shall terminate if he ceases to be a director but without prejudice to any rights or claims which he may have against the Company by reason of such cesser. A director appointed to an executive office shall not ipso facto cease to be a director if his appointment to such executive office terminates.

101. The emoluments of any managing director or director holding any other executive office for his services as such shall be determined by the directors, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership of any such scheme or fund.

102. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or

employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

103. For the purposes of Article 102 -

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

104. The directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner in all respects as it thinks fit (including the exercise thereof in favour of any resolution appointing its members or any of them directors of such company, or voting or providing for the payment of remuneration to the directors of such company).

#### **GRATUITIES AND PENSIONS**

105. The directors may (by establishment of or maintenance of schemes or otherwise) provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present director or employee of the Company or any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

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

## **PROCEEDINGS OF DIRECTORS**

107. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

108. The quorum for the transaction of the business of the directors shall be the lesser of one-fifth of the number of directors (or the number nearest to one-fifth) and five provided that the minimum quorum shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

109. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

110. The directors may appoint one of their number to be the chairman, and one of their number to be the deputy chairman, of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director appointed as chairman, or in his stead the director appointed as deputy chairman, shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

111. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that 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 and had been entitled to vote.

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

of the board of directors) shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents to the same effect each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. Without prejudice to the first sentence of Article 107, a meeting of the board or of a committee of the board may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting" in these Articles shall be construed accordingly.

113. Provided that he has disclosed to the directors the nature and extent thereof in accordance with these Articles, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter notwithstanding that he has a direct or indirect interest or duty in connection therewith.

114. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

#### **SECRETARY**

115. Subject to the provisions of the Act, any secretary (as defined herein) shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### **MINUTES**

116. The directors shall cause minutes to be made in books kept for the purpose -

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

## **THE SEAL**

117. The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

118. The directors may by resolution determine either generally or in any particular case that any certificates for shares of debentures or representing any other form of security to which the seal is affixed may have signatures affixed to them by some mechanical means or that such certificates need not bear any signature.

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

## **DIVIDENDS AND RESERVES**

120. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

121. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

122. The directors may set aside out of the profits of the Company available for dividend and carry to reserve or reserves such sums as they think proper, which shall, at the discretion of the directors, be applicable for meeting contingencies, or for the gradual liquidation of any debt or liability of the Company, or for repairing or maintaining the works, plant and machinery of the Company, or for equalising dividends, or for any other purpose to which the profits of the Company available for dividend

may properly be applied, and pending such application may, at the like discretion, either be employed in the business of the Company, or be invested in such investments (other than shares of the Company) as the directors may from time to time think fit.

123. The directors shall transfer to share premium account as required by Section 130 of the Act sums equal to the amount or value of any premiums at which any shares of the Company shall be issued. Subject to the provisions of the said section the provisions of these Articles relating to sums carried or standing to reserves shall be applicable to sums carried and standing to share premium account.

124. The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

125. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

126. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

127. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder or otherwise by operation of law, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person

jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

128. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

129. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

130. The directors may deduct from any dividend or other moneys payable to any member in respect of a share any moneys presently payable by him to the Company in respect of that share.

131. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the directors, 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 thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

132. The directors may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

### **ACCOUNTS**

133. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

### **CAPITALISATION OF PROFITS**

134. The directors may with the authority of an ordinary resolution of the Company -

- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for

distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

- (b) without prejudice to any relevant special rights attached to any class of shares, appropriate the sum resolved to be capitalised to the members on the record date specified in the relevant resolution who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares, debentures or other obligations of the Company of a nominal amount equal to that sum, and allot the shares debentures or other obligations credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
- (c) make such provision by authorising the sale and transfer to any person of shares representing fractions to which any members would become entitled or resolving that fractions be ignored or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for either -
  - (i) the allotment to such members respectively, credited as fully paid, of any shares, debentures or other obligations to which they are entitled upon such capitalisation; or
  - (ii) the payment up by the Company on behalf of such members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts or any part of the amounts, remaining unpaid on their existing shares

and any agreement made under such authority shall be binding on all such members.

## NOTICES

135. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.

136. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.

137. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

138. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

139. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given on the day after the envelope containing it was posted.

140. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

141. A notice delivered or sent by post to the registered address of a member pursuant to the Articles shall, notwithstanding that such member be then dead, bankrupt or mentally disordered and whether or

not the Company has notice of his death, bankruptcy or mental disorder, be deemed to have been duly given in respect of any share registered in the name of the member as sole or joint holder. A notice so given shall be deemed a sufficient notice to all persons interested (whether jointly with or claiming through or under the member) in the share.

142.(1) If at any time the Company is unable effectively to convene a general meeting by notices sent through the post in the United Kingdom as a result of the suspension or curtailment of postal services, notice of such general meeting may be sufficiently given by advertisement in the United Kingdom. In any such case the Company shall send confirmatory copies of the notice by post if at least two days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

(2) Any notice given by advertisement shall be advertised on the same date in at least two national daily newspapers in the United Kingdom (at least one of which shall be a London newspaper) and such notice shall be deemed to have been served at noon on the day when the advertisement appears.

143. Notices may be served upon the bearers of share warrants by advertising the same once in a leading London daily newspaper, and any notice so advertised shall be deemed to have been served upon such bearers.

### **DESTRUCTION OF DOCUMENTS**

144. The Company shall be entitled to destroy all instruments of transfer of shares which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates or variations or cancellation thereof and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and all paid dividend warrants and cheques at any time after the expiration of one year from the date of actual payment thereof and all instruments of proxy which have been used for the purpose of a poll at any time after the expiration of one year from the date of such use and all instruments of proxy which have not been used for the purpose of a poll at any time after one month from the end of the meeting to which the instrument of proxy relates and at which no poll was demanded. 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, that every instrument of transfer

so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained 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 other circumstances which would not attach to the Company in the absence of this article;
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

#### **UNTRACED SHAREHOLDERS**

145.(1) The Company shall be entitled to sell, at the best price reasonably obtainable, the shares of a member or the shares to which a person is entitled by virtue of transmission on death, bankruptcy, or otherwise by operation of law if and provided that:-

- (a) during the period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (b) below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares in question have been declared and all dividend warrants and cheques which have been sent in the manner authorised by the Articles in respect of the shares in question have remained uncashed; and
- (b) the Company shall as soon as practicable after expiry of the said period of twelve years have inserted advertisements both in a national daily newspaper and in a newspaper circulating in the area of the last known address of such member or other person giving notice of its intention to sell the shares; and
- (c) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received no indication either of the whereabouts or of the existence of such member or person.

(2) To give effect to any such sale, the board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The transferee 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 in, or invalidity of, the proceedings in reference to the sale.

(3) The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments as the directors from time to time think fit.

### **WINDING UP**

146. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

147. The power of sale of a liquidator shall include a power to sell wholly or partially for shares or debentures or other obligations of another Company, either then already constituted or about to be constituted for the purposes of carrying out the sale.

### **INDEMNITY**

148. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from

liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.