

**THE COMPANIES ACT 1985**

WEDNESDAY



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**COMPANY LIMITED BY SHARES**

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1000608

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**MEMORANDUM OF ASSOCIATION  
OF  
MANAGEMENT CONSULTING GROUP PLC**

- 1 The name of the Company is Management Consulting Group PLC.<sup>1</sup>
  2. The Company is to be a public company
  - 3 The registered office of the Company will be situate in England
  - 4 The objects for which the Company is established are -
    - (A) (1) To investigate and advise on all manner of economic, financial, commercial, and industrial questions and on problems relating to the administration and organisation of industry and business and the training of personnel for industry and business and to advise on the means and methods for extending, developing and improving all types of businesses or industries in all systems or processes relating to the production, storage, distribution, marketing and sale of goods and/or relating to the rendering of services
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- (1) By a Special Resolution of the Company passed on 3rd December 1981, the name of the Company was changed from City and Foreign Investment Company Limited to City and Foreign Investment plc
  - (2) By a Special Resolution of the Company passed on 9th February 1987, the name of the Company was changed from City and Foreign Investment plc to City and Foreign Holdings plc
  - (3) By a Special Resolution of the Company passed on 7th December 1987, the name of the Company was changed from City and Foreign Holdings plc to Alexander Proudfoot PLC
  - (4) By a Special Resolution of the Company passed on 4th June 1993, the name of the Company was changed from Alexander Proudfoot PLC to Proudfoot PLC
  - (5) By a Special Resolution of the Company passed on 1 July 1999, the name of the Company was changed from Proudfoot PLC to Proudfoot Consulting Plc
  - (6) By a Special Resolution of the Company passed on 29 December 2000, the name of the Company was changed from Proudfoot Consulting Plc to Management Consulting Group PLC

- (2) To undertake the provision of secretarial, clerical, technical, directorial, managerial and other assistance and of offices and other accommodation for companies and others, and to undertake the direction and management of or any other work in relation to the affairs or businesses of any companies or others and to do all such things as aforesaid either solely or jointly with others and either gratuitously or otherwise
- (3) To acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities and participations of any kind issued or guaranteed by or in any company or organisation whether incorporated or not and wherever situated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world
- (4) To carry on all or any of the businesses of language schools, translators, interpreters, providers of instructional training and conference facilities, consultants and advisers in all matters relating thereto, and the provision of services of all kinds in the management, administration, development and conduct of businesses, commerce and industry, whether associated with any of the foregoing or otherwise
- (5) To acquire any such shares, stocks, debentures, debenture stocks, bonds, mortgages, obligations and other securities by original subscription, syndicate participation, tender, purchase, exchange or otherwise and to guarantee the subscription thereof

(B) To carry on any other trade or business whatsoever which can in the opinion

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of the Board of Directors be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company

- (C) To purchase, take on lease or by other means acquire any freehold, leasehold or other property for any estate or interest whatever and any rights, privileges or easements over or in respect of any property and any buildings, workrooms, shops, warehouses, factories, mills, works, machinery, engines, motors, rolling stock, plant, live and dead stock or things and any real or personal property or rights whatsoever which may be necessary for or may be conveniently used with or may enhance the value of any other property of the Company
- (D) To purchase or by other means acquire and protect, prolong, extend and renew whether in the United Kingdom or elsewhere any copyrights, patents, patent rights, trade marks, designs, rights of production, rights of publication or other rights, brevets d'invention and licences which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire
- (E) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing
- (F) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on and

as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company or to acquire an interest in, amalgamate with or enter into any arrangement for sharing profits or for co-operation or for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares, debentures or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures or securities so received

- (G) To promote any other company or companies for the purpose of its or their acquiring all or any of the property and rights and undertaking any of the liabilities of this Company or of undertaking any business or operations which may appear likely to assist or benefit this Company or to enhance the value of the property or business of this Company and to pay all the expenses of or incidental to such promotion
- (H) To manufacture, sell, treat and deal in all kinds of commodities, substances, materials, articles and things necessary or useful for carrying on any of the businesses of the Company or in or for any of the operations of the Company
- (I) To sell or otherwise dispose of the whole or any part of the undertaking of the Company either together or in portions for such consideration as the Company may think fit and in particular for shares, debentures or securities of any company purchasing the same
- (J) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined
- (K) To lend money to persons or companies on such terms as may seem expedient and in particular to customers and others having dealings with the

Company and to act as surety for and guarantee the performance of contracts by any persons or companies

- (L) To borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock perpetual or otherwise and to secure the repayment of any money borrowed or raised by mortgage, charge or lien upon the undertaking and the whole or any part of the Company's property or assets whether present or future including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any obligation or liability it may undertake
- (M) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants, debentures and other negotiable or transferable instruments
- (N) To improve, manage, cultivate, develop, exchange, let on lease, or otherwise mortgage, sell, dispose of, turn to account, grant rights and privileges in respect of or otherwise deal with all or any part of the property and rights of the Company
- (O) To subscribe for, take, purchase or otherwise acquire and hold any shares or other interest in or securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company
- (P) To act as agents or brokers and as trustees for any person, firm or company and to undertake and perform sub-contracts and also to act in any of the businesses of the Company through, or by means of agents, brokers, sub-contractors or others

- (Q) To remunerate any person, firm or company rendering service to the Company whether by cash payment 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
- (R) To pay out of the funds of the Company all expenses which the Company may lawfully pay of or incident to the formation, registration and advertising of or raising money for the Company and the issue of its capital including brokerage and commission for obtaining application for or taking, placing or underwriting shares, debentures or debenture stock
- (S) To enter into any arrangement with any government or authority supreme, municipal, local or otherwise and to obtain from any such government or authority any rights, concessions or privileges that may seem conducive to the attainment of the Company's objects or any of them
- (T) To establish and support or aid in the establishment and support of clubs, associations, funds, trusts and conveniences, calculated to benefit existing or former employees, Officers or Directors of the Company or the dependants or connections of such persons and to grant pensions and allowances and to make payments towards insurance and generally to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object
- (U) To distribute among the Members of the Company in kind any of the property of the Company and in particular any shares, debentures or securities of other companies belonging to this Company or of which this Company may have the power of disposing
- (V) To carry out all or any of the foregoing objects as Principals or Agents or in partnership, co-operation or conjunction with any other person, firm, association or company and in any part of the world, and to procure the Company to be registered or recognised in any country or place

- (W) To do all such other things as may be incidental or conducive to the

attainment of the above objects or any of them

It is hereby expressly declared that each of the preceding sub-clauses shall be construed independently of and shall be in no way limited by reference to any other sub-clause and that the objects set out in each sub-clause are independent of the Company

5 The liability of the Members is limited

6 The Share Capital of the Company is £100 divided into 100 Shares of £1 each <sup>2</sup>

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- (1) By an Ordinary Resolution passed 17th February, 1972, the 100 Shares of £1 each in the capital of the Company were sub-divided into and reclassified as 400 Ordinary Shares of 25p each and the capital of the Company was increased to £1,250,00 by the creation of a further 4,999,600 Ordinary Shares of 25p each
- (2) By a Special Resolution passed 9th February, 1987, the Capital of the Company was increased to £2,700,000 by the creation of a further 5,800,000 Ordinary Shares of 25p each
- (3) By an Ordinary Resolution passed 17th July, 1987, the Capital of the Company was increased to £3,500,000 by the creation of a further 3,200,000 Ordinary Shares of 25p each
- (4) By an Ordinary Resolution passed 27th November, 1987, the Capital of the Company was increased to £22,744,000 by the creation of a further 76,976,000 Ordinary Shares of 25p each
- (5) By an Ordinary Resolution passed 23rd May, 1994, the Capital of the Company was increased to £26,500,000 by the creation of a further 15,024,000 Ordinary Shares of 25p each
- (6) By an Ordinary Resolution passed on 18 April 2000, the capital of the Company was increased to £26,500,000 by the creation of a further 94,000,000 Ordinary Shares of 25p each
- (7) By an Ordinary Resolution passed on 29 May 2002, the capital of the Company was increased to £75,000,000 by the creation of a further 100,000,000 Ordinary Shares of 25p each
- (8) By an Ordinary Resolution passed on 30 August 2006, the Capital of the Company was increased to £125,000,000 by the creation of a further 200,000,000 Ordinary Shares of 25p each
- (9) By an Ordinary Resolution passed on 11 October 2007, the Capital of the Company was increased to £175,000,000 by the creation of a further 200,000,000 Ordinary Shares of 25p each

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

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NAMES, ADDRESSES AND DESCRIPTIONS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
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John A White	One
117 Old Broad Street	
London EC2	
Solicitors Articled Clerk	

Susan A Williams	One
117 Old Broad Street	
London EC2	
Secretary	

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Dated this 6th day of January, 1971

Witness to the above Signatures:-

John R Sims Lazenby  
117 Old Broad Street  
London EC2  
Solicitors Clerk



**THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION**

**OF  
Management Consulting Group PLC<sup>1</sup>**

(Adopted pursuant to a Special Resolution  
passed on 7th December 1987 and amended by  
Special Resolutions passed on 30 May 1990,  
4 June 1993, 23 May 1994, 17 April 2001 and 26 April 2007)

**PRELIMINARY**

1 The regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 and in any Table A applicable to the Company under any former enactment relating to companies shall not apply to the Company except insofar as they are repeated or contained in these Articles

2 In these Articles, unless the context otherwise requires

"the Statutes" means the Companies Act 1985 as amended or re-enacted from time to time

"these Articles" means these Articles of Association or the articles of association of the Company from time to time in force.

"the Auditors" means the Auditors for the time being of the Company

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<sup>1</sup> The name of the Company was changed from Proudfoot Consulting Plc to Management Consulting Group PLC pursuant to a Special Resolution passed on 29 December 2000

"the Directors" means the Directors for the time being of the Company

"dividend" includes bonus

"electronic communication" means the same as in the Electronic Communications Act 2000 (as amended from time to time)<sup>2</sup>.

"electronic signature" means anything in electronic form which the Directors require to be incorporated into or otherwise associated with an electronic communication for the purposes of establishing the authenticity or integrity of the communication and references to a document being signed or to signature in the case of an electronic communication are to its bearing an electronic signature<sup>3</sup>

"legislation" means every statute (and any orders, regulations or other subordinate legislation made under it) applying to the Company<sup>4</sup>.

"Member" means a member of the Company<sup>5</sup>

"month" means calendar month

"the Office" means the registered office for the time being of the Company

"paid up" includes credited as paid up

"the Register" means the Register of Members required to be kept by the Statutes

"the Regulations" means the Uncertificated Securities Regulations 1995<sup>6</sup>

"the Seal" means the common seal of the Company

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<sup>2</sup> Inserted by Special Resolution passed on 17 April 2001

<sup>3</sup> Inserted by Special Resolution passed on 17 April 2001

<sup>4</sup> Inserted by Special Resolution passed on 17 April 2001

<sup>5</sup> Inserted by Special Resolution passed on 17 April 2001

<sup>6</sup> Inserted by Special Resolution passed on 17 April 2001

"Secretary" includes a deputy or assistant secretary, and any person appointed by the Directors to perform the duties of the Secretary

"uncertificated share" means a share in the capital of the Company which is recorded on the register as being held in uncertificated form and title to which may, by virtue of the Regulations, be transferred by means of a relevant system and references in these Articles to a share being held in uncertificated form shall be construed accordingly<sup>7</sup>

"the United Kingdom" means Great Britain and Northern Ireland

"in writing" and "written" includes printing, lithography, typewriting, photography and other modes of representing or reproducing words in a legible and non-transitory form and including by way of electronic communication where specifically provided in a particular Article or where permitted by the Directors in their absolute discretion<sup>8</sup>

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

Words importing the masculine gender only shall include the feminine gender

Where, in relation to a share, these Articles refer to a relevant system, the reference is to the relevant system in which that share is a participating security at the relevant time<sup>9</sup>

Words importing individuals shall include corporations

Any reference herein to the provisions of any Act shall extend to and include any amendment or re-enactment of or substitution for the same effected by any subsequent statute

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<sup>7</sup> Inserted by Special Resolution passed on 17 April 2001

<sup>8</sup> Amended by Special Resolution passed on 17 April 2001

<sup>9</sup> Inserted by Special Resolution passed on 17 April 2001

Subject as aforesaid, and unless the context otherwise requires, words and expressions defined in the Statutes and the Regulations shall bear the same meanings in these Articles<sup>10</sup>

## SHARES

3 The capital of the Company is £175,000,000 divided into 700,000,000 Ordinary Shares of 25p each<sup>11</sup>

4 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) If requisite, the Company shall in accordance with the Statutes within one month from allotting shares deliver a statement in the prescribed form containing particulars of special rights

5 Subject to the provisions of the Statutes

(1) any shares may be issued on the terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by these Articles, and

(2) the Company may purchase its own shares (including any redeemable shares)<sup>12</sup>

5A (1) Subject to the provisions of the Regulations, the Directors may permit the holding of shares in any class of shares in uncertificated form and the transfer

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<sup>10</sup> Amended by Special Resolution passed on 17 April 2001

<sup>11</sup> Substituted by Ordinary Resolution passed on 11 October 2007

<sup>12</sup> Amended by Special Resolution passed on 17 April 2001

of title to shares in that class by means of a relevant system and may determine that any class of shares shall cease to be a participating security

(2) Shares in the capital of the Company that fall within a certain class shall not form a separate class of shares from other shares in that class because any share in that class

(a) is held in uncertificated form, or

(b) is permitted in accordance with the Regulations to become a participating security

(3) Where any class of shares is a participating security and the Company is entitled under any provision of the Statutes, the Regulations or the Articles to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form, the Company shall be entitled, subject to the provisions of the Statutes, the Regulations, the Articles and the facilities and requirements of the relevant system

(a) to require the holder of that uncertificated share by notice to change that share into certificated form within the period specified in the notice and to hold that share in certificated form so long as required by the Company,

(b) to require the holder of that uncertificated share by notice to give any instructions necessary to transfer title to that share by means of the relevant system within the period specified in the notice,

(c) to require the holder of that uncertificated share by notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the relevant system, necessary to transfer that share within the period specified in the notice, and

- (d) to take any action that the Directors consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share<sup>13</sup>

- 6 The Company shall not give any financial assistance for the acquisition of shares in the Company except and in so far as permitted by the Statutes
- 7 The shares of the Company shall not be allotted at a discount and save as permitted by the Statutes shall not be allotted except as paid up at least as to one-quarter of their nominal value and the whole of any premium thereon
- 8 The Company may exercise the powers of paying commissions conferred by the Statutes, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes and the rate of the commission shall not exceed the rate of ten per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to ten per cent of such price (as the case may be) Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other The Company may also on any issue of shares pay such brokerage as may be lawful
- 9 Save as otherwise provided in the Statutes or in these Articles, all unissued shares (whether forming part of the original or any increased capital) shall be at the disposal of the Directors who may (subject to the provisions of the Statutes) allot, grant options over, offer or otherwise deal with or dispose of them to such persons at such times and generally on such terms and conditions as they may determine
- 10 Except as required by law or pursuant to the provisions of these Articles, no person shall be recognised by the Company as holding any share upon any trust, and (except only as by these Articles or by law otherwise provided or under an order of a court of competent jurisdiction) the Company shall not be bound by or be compelled in any

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<sup>13</sup> Inserted by Special Resolution passed on 17 April 2001

way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

## SHARE CERTIFICATES

- 11 Every share certificate shall be issued under the Seal or under the official seal kept by the Company by virtue of Section 40 of the Companies Act 1985 or shall bear an imprint or representation of the Seal or such other form of authentication as the Directors may determine and shall specify the number and class and the distinguishing number (if any) of the shares to which it relates and the amount paid up thereon. No certificate shall be issued relating to shares of more than one class.
- 12 Every person, on becoming the holder of any certificated share, (other than a stock exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a Member on the Register shall be entitled without payment to receive within two months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) one certificate for all the certificated shares registered in his name or, in the case of certificated shares of more than one class being registered in his name, a separate certificate for each class of certificated shares so registered, and where a Member transfers part of the certificated shares of any class registered in his name he shall be entitled without payment to one certificate for the balance of certificated shares of that class retained by him. If a Member shall require additional certificates he shall pay for each additional certificate such reasonable sum (if any) as the Directors may determine<sup>14</sup>.
- 13 In respect of shares of one class held jointly by more than one person the Company shall not be bound to issue more than one certificate, and delivery of a certificate for

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<sup>14</sup> Amended by Special Resolution passed on 17 April 2001

such shares to the person first named on the Register in respect of such shares shall be sufficient delivery to all such holders

- 14 If any certificate be worn out or defaced then upon delivery thereof to the Directors they may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity with or without security as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate
15. Every certificate issued under the last preceding Article shall be issued without payment but there shall be paid to the Company any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors think fit and a sum equal to the costs incurred by the Company of any such indemnity and security as is referred to in that Article

#### **VARIATION OF RIGHTS**

- 16 If at any time the share capital is divided into different classes of shares, the rights attached to any class or any of such rights may, subject to the provisions of the Statutes, whether or not the Company is being wound up, be modified, abrogated or varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class
- 17 To every such separate General Meeting the provisions of Sections 369, 370, 376 and 377 of the Companies Act 1985 and the provisions of these Articles relating to General Meetings shall, mutatis mutandis, so far as applicable apply, subject to the following provisions, namely
  - (a) the necessary quorum at any such adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal value of the



issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy, and

- (b) any holder of shares of the class in question present in person or by proxy may demand a poll

18 The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not to be modified, abrogated or varied by

- (a) the creation or issue of further shares ranking *pari passu* therewith, or
- (b) the Company permitting, in accordance with the Regulations, the holding of and transfer of title to shares of that or any other class in uncertificated form by means of a relevant system<sup>15</sup>

## **CALLS ON SHARES**

19 The Directors may, subject to the terms of allotment thereof, from time to time make such calls upon the Members as they think fit in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed, in whole or in part, as the Directors may determine

20 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments

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<sup>15</sup> Substituted by Special Resolution passed on 17 April 2001

- 21 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 22 If a sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest on the sum at such rate, not exceeding fifteen per cent. per annum, as the Directors may determine from the day appointed for the payment thereof until the actual payment thereof, and all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors may, if they shall think fit, waive the payment of such interest and expenses or any part thereof.
- 23 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified
- 24 The Directors may, on the issue of shares, make arrangements for a difference between the holders of such shares in the amounts of calls to be paid and in the times of payment of such calls
- 25 The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys, whether on account of the nominal value of the shares or by way of premium, uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so paid in advance the Directors may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in General Meeting shall otherwise direct) twelve per cent per annum, as may be agreed upon between the Directors and the Member paying such moneys in advance

## **FORFEITURE AND LIEN**

- 26 If any Member fails to pay any call or instalment in full on or before the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring him to pay so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment
- 27 The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which and the place where such call or instalment and such interest and expenses as aforesaid are to be paid The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call or instalment is payable will be liable to be forfeited
- 28 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect Such forfeiture shall extend to all dividends declared in respect of the shares so forfeited and not actually paid before such forfeiture Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Directors The Directors may accept a surrender of any share liable to be forfeited hereunder
29. When any share has been forfeited notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share, or the person entitled to the share by transmission, and an entry of the forfeiture or surrender, with the date thereof shall forthwith be made in the Register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid

- 30 A share so forfeited or surrendered shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of in such manner, either subject to or discharged from all calls made or instalments due prior to the forfeiture or surrender, as the Directors think fit. Provided that the Company shall not exercise any voting rights in respect of such share and any such share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture or surrender shall thereupon be cancelled in accordance with the provisions of the Statutes. For the purpose of giving effect to any such sale or other disposition of a forfeited share held in certificated form, the Directors may authorise some person to transfer the share so sold or otherwise disposed of to the purchaser thereof or other person becoming entitled thereto. For the purpose of giving effect to any such sale or other disposition of a forfeited share held in uncertificated form, the Directors may exercise any of the Company's powers under Article 5A<sup>16</sup>
- 31 The Directors may, at any time before any share so forfeited or surrendered shall have been cancelled or sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon such terms as they think fit
- 32 Any person whose shares have been forfeited or surrendered shall cease to be a Member in respect of those shares and shall, if the share is a certificated share, surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of the forfeiture or surrender, were presently payable by him to the Company in respect of the shares, together with interest thereon at such rate, not exceeding fifteen per cent per annum, as the Directors may determine from the time of forfeiture or surrender until the time of payment, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares, together with interest as aforesaid. The Directors may, if they shall think fit, waive the payment of such interest or any part thereof<sup>17</sup>

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<sup>16</sup> Amended by Special Resolution passed on 17 April 2001

<sup>17</sup> Amended by Special Resolution passed on 17 April 2001

33. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share, but the Directors may at any time waive any lien which has arisen and may declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
34. The Company may sell, in such manner as the Directors think fit, any share on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, (i) stating, and demanding payment of, the sum presently payable, and (ii) giving notice of intention to sell in default of such payment, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
35. The net proceeds of such sale, after payment of the costs thereof, shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.
36. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor

shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share

- 36A (1) The Company shall be entitled to sell at the best price reasonably obtainable any share held by a Member, or any share to which a person is entitled by transmission, if
- (a) for a period of 12 years no cheque or warrant for amounts payable in respect of the share sent and payable in a manner authorised by these Articles has been cashed and no communication has been received by the Company from the Member or person concerned,
  - (b) during that period at least three dividends in respect of the share have become payable,
  - (c) the Company has, after the expiration of that period, by advertisement in a leading national daily newspaper published in the United Kingdom and in a newspaper circulating in the area of the registered address or last known address of the Member or person concerned, and by notice to the Quotations Department of the Stock Exchange if shares of the class concerned are listed or dealt in on that exchange, given notice of its intention to sell such share, and
  - (d) the Company has not during the said period of 12 years and the further period of three months after the date of the advertisement or following the later publication if the two advertisements are published on different dates and prior to the sale of the share received any communication from the Member or person concerned.
- (2) To give effect to the sale in the case of a certificated share the Company may appoint any person to execute an instrument of transfer of the share, and the instrument shall be as effective as if it had been executed by the registered

holder of, or person entitled by transmission to, the share. To give effect to the sale in the case of an uncertificated share the Company may exercise any of its powers under Article 5A. The purchaser shall not be bound to see to the application of the proceeds of sale, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings relating to the sale. The Company shall be indebted to the Member or other person entitled to the share for an amount equal to the net proceeds of the sale, but no trust or duty to account shall arise and no interest shall be payable in respect of the proceeds of sale<sup>18</sup>.

## TRANSFER OF SHARES

- 37 The instrument of transfer of any certificated share in the Company shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, shall be signed by or on behalf of the transferee) and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof<sup>19</sup>.
- 38 All transfers of certificated shares shall be effected by instrument in writing in any usual or common form or any other form which the Directors may approve<sup>20</sup>
- 38A All transfers of uncertificated shares shall be effected by means of a relevant system and must comply with the Regulations<sup>21</sup>
- 39 The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register (i) any transfer of any certificated share which is not a fully paid share provided that the refusal does not prevent dealing in the shares in the Company from taking place on an open and proper basis and (ii) any transfer of an uncertificated share in the circumstances set out in the Regulations. The Directors may

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<sup>18</sup> Amended by Special Resolution passed on 17 April 2001

<sup>19</sup> Amended by Special Resolution passed on 17 April 2001

<sup>20</sup> Amended by Special Resolution passed on 17 April 2001

<sup>21</sup> Inserted by Special Resolution passed on 17 April 2001

likewise refuse to register any transfer of a share, whether fully paid or not, in favour of more than four persons jointly<sup>22</sup>

40 The Directors may decline to recognise any instrument of transfer unless

(a) the instrument of transfer is left at the Office, or at such other place as the Directors may from time to time determine, to be registered, accompanied by the certificate(s) of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and

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

41 If the Directors refuse to register a transfer 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 and (except in the case of fraud) return to him the instrument of transfer  
All instruments of transfer which are registered may be retained by the Company

42 No fee shall be charged by the Company on the registration of any instrument of transfer, probate, letters of administration, certificate of death or marriage, power of attorney, stop notice or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares

43 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares Provided always that such registration shall not be suspended, either, generally or otherwise, for more than thirty days in any year

44 The Company shall be entitled to destroy

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<sup>22</sup> Amended by Special Resolution passed on 17 April 2001



- (i) any instrument of transfer which has been registered, at any time after the expiration of six years from the date of registration thereof;
- (ii) any dividend mandate or any variation or cancellation thereof or any notification of change of address, at any time after the expiration of two years from the date of recording thereof, and
- (iii) any share certificate which has been cancelled, at any time after the expiration of one year from the date of such cancellation,

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, 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 certificate duly and properly cancelled and that every other document destroyed hereunder 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 express notice to the Company that the preservation of such document was relevant to any claim (regardless of the parties thereto),
- (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled, and
- (c) references in this Article to the destruction of any document include references to its disposal in any manner.

## **TRANSMISSION OF SHARES**

- 45 In case of the death of a Member the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons
- 46 Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy, as the case may be
- 47 If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing and delivering to that person a transfer of the share in the case of a certificated share or by use of a relevant system in the case of uncertificated shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member<sup>23</sup>
- 48 A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the

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<sup>23</sup> Amended by Special Resolution passed on 17 April 2001

share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company Provided always that 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, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with

## **CONVERSION OF SHARES INTO STOCK**

- 49 The Company may by Ordinary Resolution convert any of its fully paid up shares into stock of the same class as the shares so converted and reconvert such stock into fully paid up shares of the same class and of any denomination.
- 50 The several holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same regulations, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose
- 51 The several holders of such stock shall, according to the amount of stock held by them and the class thereof, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- 52 Such of the provisions of these Articles as are applicable to fully paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder"

## SHARE WARRANTS

- 53 The Company is hereby authorised to issue share warrants under the powers given by the Companies Act 1985, and the Directors may accordingly, with respect to any share which is fully paid up (in any case in which they shall in their discretion think fit so to do) upon an application in writing signed by the person registered as the holder of such share, authenticated by such statutory declaration or other evidence as the Directors may require as to the identity of the person signing the request, and upon receiving the certificate of such share and the amount of stamp duty on such warrant or if the Company shall have previously compounded for such stamp duty then such sum as the Directors may determine in respect of the amount paid by the Company on the occasion of such composition, issue under the Seal a warrant, duly stamped, stating that the bearer of the warrant is entitled to the shares therein specified, and may in any case in which a warrant is so issued provide by coupons or otherwise for payment, of the future dividends or other moneys in respect of the shares included in such warrant
- 54 Subject to the provisions of these Articles and of the Statutes, the bearer of a warrant shall be deemed to be a Member of the Company, and shall be entitled to the same privileges and advantages as he would have had if his name had been included in the Register of Members as the holder of the shares specified in such warrant
- 55 No person shall, as the bearer of a warrant, be entitled (a) to sign a requisition for calling a meeting, or to give notice of intention to submit a resolution to a meeting, or (b) to attend or vote by himself or by his proxy or exercise any privilege as a Member at a meeting, unless he shall, in case (a) before or at the time of lodging such requisition, or giving such notice of intention as aforesaid, or in case (b) four days at least before the day fixed for the meeting, have deposited at the Office or a bank to be named or approved by the Company for that purpose the warrant in respect of which he claims to act, attend or vote as aforesaid, and unless the warrant shall remain so deposited until after the meeting and any adjournment thereof shall have been held. The names of more than one as joint holders of a share warrant shall not be received

- 56 To any person so depositing a warrant there shall be delivered a certificate stating his name and address, and describing the shares included in the warrant so deposited, and bearing the date of issue of the certificate, and such certificate shall entitle him or his proxy, duly appointed as hereinafter provided, to attend and vote at any General Meeting held within three months from the date of the certificate, in the same way as if he were the registered holder of the shares specified in the certificate
- 57 Upon delivery up of the certificate, the bearer of the certificate shall be entitled to receive the warrant in respect of which the certificate was given.
- 58 The holder of a warrant shall not, save as aforesaid, be entitled to exercise any right as a Member unless (if called upon by any Director or the Secretary so to do) he produces his warrant or the certificate of its deposit, and states his name and address
- 59 No new share warrant or coupon shall be issued to replace one that has been lost unless the Company is satisfied beyond reasonable doubt that the original has been destroyed
- 60 The shares included in any warrant shall be transferred by the delivery of the warrant without any written transfer and without registration, and to shares so included the provisions herein before contained with reference to the transfer of shares shall not apply
- 61 The delivery to the Company of a coupon shall be a good discharge to the Company for the dividend represented thereby.
- 62 Upon surrender of his warrant and all coupons for the future dividends on the shares comprised in the warrant to the Company for cancellation, the bearer of a warrant shall be entitled to be registered in respect of the shares included in the warrant, but the Company shall in no case be responsible for any loss or damage incurred by any person by reason of the Company entering in its Register of Members, upon the

surrender of a warrant, the name of any person not the true and lawful owner of the warrant surrendered

## **ALTERATION OF CAPITAL**

- 63 The Company may from time to time by Ordinary Resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, forfeiture, lien, transfer and transmission and otherwise
- 64 The Company may by Ordinary Resolution
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
  - (b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association, provided that -
    - (i) in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, and
    - (ii) the resolution whereby any share is sub-divided may determine that as between the resulting shares one or more of such shares may be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares<sup>24</sup>;

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<sup>24</sup> Amended by Special Resolution passed on 17 April 2001

- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled

- 65 Subject to any direction by the Company in General Meeting, whenever as the result of any consolidation or sub-division of shares Members of the Company are entitled to any issued shares of the Company in fractions, the Directors may deal with such fractions as they shall determine and in particular may sell the shares to which Members are so entitled in fractions for the best price reasonably obtainable and pay and distribute to and amongst the Members entitled to such shares in due proportions the net proceeds of the sale thereof For the purpose of giving effect to any such sale the Directors may nominate some person to execute a transfer of the shares sold on behalf of the Members so entitled to the purchaser thereof and may cause the name of the purchaser to be entered in the Register as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale
- 66 The Company may by Special Resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law

## **GENERAL MEETINGS**

- 67 The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next The Annual General Meeting shall be held at such time and place as the Directors shall appoint
- 68 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings

- 69 The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by the Statutes. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum the Directors in the United Kingdom capable of acting, or if there are no Directors capable and willing so to act, any two Members of the Company, may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors

## **NOTICE OF GENERAL MEETINGS**

70. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by not less than twenty-one days' notice in writing, and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by not less than fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place (including without limitation any satellite meeting place arranged for the purposes of Article 71A (1), which shall be identified as such in the notice), the day and the hour of meeting and, in case of special business, the general nature of that business. It shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company and shall comply with the provisions of the Statutes as to informing Members of their right to appoint proxies. A notice calling an Annual General Meeting shall specify the meeting as such and a notice convening a meeting to pass an Extraordinary Resolution or a Special Resolution as the case may be shall specify the intention to propose the resolution as such. In this Article references to written notice include the use of electronic communications and publication on a web site or sites in accordance with legislation<sup>25</sup>

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<sup>25</sup> Amended by Special Resolution passed on 17 April 2001



71 A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed

- (a) in the case of a meeting called as the 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 at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right

71A

(1) The Directors may resolve to enable persons entitled to attend a general meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The Members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the Chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that Members attending at all the meeting places are able to

- (a) participate in the business for which the meeting has been convened,
- (b) hear and see all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place, and
- (c) be heard and seen by all other persons so present in the same way

The Chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting place

- (2) If it appears to the Chairman of the general meeting that the facilities at the principal meeting place or any satellite meeting place have become inadequate for the purposes referred to in Article 71A (1), then the Chairman may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at that general meeting up to the time of that adjournment shall be valid. The provisions of Article 77(1) shall apply to that adjournment.
- (3) The Directors may make arrangements for persons entitled to attend a general meeting or an adjourned general meeting to be able to view and hear the proceedings of the general meeting or adjourned general meeting and to speak at the meeting (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) by attending at a venue anywhere in the world not being a satellite meeting place. Those attending at any such venue shall not be regarded as present at the general meeting or adjourned general meeting and shall not be entitled to vote at the meeting at or from that venue. The inability for any reason of any Member present in person or by proxy at such a venue to view or hear all or any of the proceedings of the meeting or to speak at the meeting shall not in any way affect the validity of the proceedings of the meeting.
- (4) The Directors may from time to time make any arrangements for controlling the level of attendance at any venue for which arrangements have been made pursuant to Article 71A (3) (including without limitation the issue of tickets or the imposition of some other means of selection) in its absolute discretion considers appropriate, and may from time to time change those arrangements. If a Member, pursuant to those arrangements, is not entitled to attend in person or by proxy at a particular venue, he shall be entitled to attend in person or by proxy at any other venue for which arrangements have been made pursuant to Article 71A (3). The entitlement of any Member to be present at such venue in person or by proxy shall be subject to any such arrangement then in force and stated by the notice of meeting or adjourned meeting to apply to the meeting.

(5) If, after the giving of notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors decide that it is impracticable or unreasonable for a reason beyond their control to hold the meeting at the declared place (or any of the declared places, in the case of a meeting to which Article 71A (1) applies) and/or time, it may change the place (or any of the places, in the case of a meeting to which Article 71A (1) applies) and/or postpone the time at which the meeting is to be held. If such a decision is made, the Directors may then change the place (or any of the places, in the case of a meeting to which Article 71A (1) applies) and/or postpone the time again if it decides that it is reasonable to do so. In either case

(a) no new notice of the meeting need be given, but the Directors shall, if practicable, advertise the date, time and place of the meeting in at least two newspapers having a national circulation and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time, and

(b) notwithstanding Article 90, an instrument of proxy in relation to the meeting may be deposited at any time not less than 48 hours before any new time appointed for holding the meeting

(6) For the purposes of this Article 71A, the right of a member to participate in the business of any general meeting shall include without limitation the right to speak, vote on a show of hands, vote on a poll, be represented by a proxy and have access to all documents which are required by the Statutes or these Articles to be made available at the meeting<sup>26</sup>

72 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

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<sup>26</sup> Inserted by Special Resolution passed on 17 April 2001

- 72A (i) A Member present either in person or by proxy, or, in the case of a corporate Member, by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- (ii) Any notice to be given to a Member may be given by reference to the register of Members as it stands at any time within the period of fifteen days before the notice is given, and no change in the register after that time shall invalidate the giving of the notice
- (iii) 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 given to the person from whom he derives his title, but this paragraph does not apply to a notice given under section 212 of the Companies Act 1985 ("the Act")
- (iv) Where, by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notice sent by post, notice of the meeting shall be sufficiently given if given by advertisement in two leading national daily newspapers published in the United Kingdom. The Company shall send a copy of the notice to Members by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

## **PROCEEDINGS AT GENERAL MEETINGS**

- 73 All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors and any other documents required by law to be attached or annexed to the balance sheets, the election of Directors in place of

those retiring, and the appointment of Directors (when special notice of the resolution for such appointment is not required by the Statutes), and the fixing of the remuneration of the Auditors

- 74 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business, save as herein otherwise provided, three Members present in person or by proxy shall be a quorum. The appointment of a Chairman in accordance with the provisions of these Articles shall not be treated as part of the business of the meeting.
- 75 If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such time (being not less than seven days nor more than twenty-eight days thence) and place as the Chairman shall appoint. If at such adjourned meeting a quorum be not present within half an hour from the time appointed therefor, any two members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days' notice of any meeting adjourned for want of a quorum and the notice shall state that the Member or Members present as aforesaid shall form a quorum and shall have the power aforesaid.
- 76 The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman, or if at any General Meeting he shall not be present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Directors present shall select one of their number to be Chairman, or if no Director be present and willing to take the chair the Members present and entitled to vote shall choose one of their number to be Chairman of the meeting.
- 77 (1) The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any

adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place

In addition (and without prejudice to the Chairman's power to adjourn a meeting conferred by Article 71A(2)), the Chairman may adjourn the meeting to another time and place without such consent if it appears to him that

- (a) it is likely to be impracticable to hold or continue that meeting because of the number of Members wishing to attend who are not present, or
- (b) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting, or
- (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted

Any such adjournment may be for such time and to such other place (or, in the case of a meeting held at a principal meeting place and a satellite meeting place, such other places) as the Chairman may, in his absolute discretion determine, notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such Member may nevertheless execute a form of proxy for the adjourned meeting which, if delivered by him to the Chairman or the Secretary, shall be valid even though it is given at less notice than would otherwise be required by these Articles<sup>27</sup>

- (2) When a meeting is adjourned for thirty days or more, not less than seven clear days' notice in writing of the adjourned meeting shall be given specifying the day, the place and the time of the meeting as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business

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<sup>27</sup> Substituted by Special Resolution passed on 17 April 2001

to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.

77A If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the Chairman, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. With the consent of the Chairman, an amendment may be withdrawn by its proposer before it is voted on. No amendment to a resolution duly proposed as a special or extraordinary resolution may be considered or voted on (other than a mere clerical amendment to correct a patent error). No amendment to a resolution duly proposed as an ordinary resolution may be considered or voted on (other than a mere clerical amendment to correct a patent error) unless either (a) at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and the intention to move it has been lodged at the Office, or (b) the Chairman in his absolute discretion decides that the amendment may be considered and voted on<sup>28</sup>.

78 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded -

- (a) by the Chairman; or
- (b) by at least three Members present in person or by proxy and entitled to vote; or
- (c) by any Member or Members present in person or by proxy and 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 in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up

equal to not less than one-tenth of the total sum paid up on all shares conferring that right

Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution

- 79 Except as provided in Article 81, if a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
- 80 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote
- 81 A poll demanded on the question of an adjournment shall be taken forthwith A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days after the date of the meeting or adjourned meeting at which the poll is demanded) and place as the Chairman may direct No notice need be given of a poll not taken immediately Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll The demand for a poll may be withdrawn

## **VOTES OF MEMBERS**

- 82 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person shall have one vote,

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<sup>28</sup> Inserted by Special Resolution passed on 17 April 2001



and on a poll every Member shall have one vote for each share of which he is the holder

- 83 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the share
84. A Member in respect of whom an order has been made by any court having jurisdiction (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 such receiver curator bonis or other person may, on a poll, vote by proxy
- 85 No Member shall, unless the Directors otherwise determine, be entitled, in respect of any share in the capital of the Company held by him, to be present or to vote on any question, either in person or by proxy, at any General Meeting, or upon any poll, or to be reckoned in a quorum, or to exercise any other right or privilege conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such share remains unpaid
- 85A (1) If a Member, or any other person appearing to be interested in shares held by that Member, has been given a notice under section 212 of the Act and has failed in relation to any shares (the "default shares") to give the Company the information thereby required within the prescribed period from the date of the notice, the following sanctions shall apply, unless the Directors otherwise determine
- (a) the Member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll, and

- (b) where the default shares represent at least 0.25 per cent of their class.
- (ii) any dividend or other amount payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the Member shall not be entitled to elect, pursuant to these articles, to receive shares instead of that dividend, and
- (iii) no transfer, other than an excepted transfer, of any shares held by the Member shall be registered unless
  - (A) the Member is not himself in default as regards supplying the information required and the Member proves to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or
  - (B) registration of the transfer is required by the Regulations<sup>29</sup>
- (2) Where the sanctions under paragraph (1) of this article apply in relation to any shares, they shall cease to have effect
  - (a) if the shares are transferred by means of an excepted transfer, or
  - (b) at the end of the period of 7 days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the notice mentioned in that paragraph,and the Directors may suspend or cancel any of the sanctions at any time in relation to any shares.

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<sup>29</sup> Substituted by Special Resolution passed on 17 April 2001

- (3) Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares, and the Directors may make any right to an allotment of the new shares subject to sanctions corresponding to those which will apply to those shares on issue, provided that any sanctions applying to, or to a right to, new shares by virtue of this paragraph shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled), and provided further that paragraph (1) of this article shall apply to the exclusion of this paragraph if the Company gives a separate notice under section 212 of the Act in relation to the new shares
- (4) Where, on the basis of information obtained from a Member in respect of any share held by him, the Company gives a notice under section 212 of the Act to any other person, it shall at the same time send a copy of the notice to the Member, but the accidental omission to do so, or the non-receipt by the Member of the copy, shall not invalidate or otherwise affect the application of paragraph (1) of this article
- (5) For the purposes of this article
- (a) a person, other than the Member holding a share, shall be treated as appearing to be interested in that share if the Member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the Member or, pursuant to a notice under section 212 of the Statutes, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested,
- (b) "interested" shall be construed as it is for the purpose of section 212 of the Act,

(c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes (i) reference to his having failed or refused to give all or any part of it and (ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular,

(d) the "prescribed period" means

(i) in a case where the default shares represent at least 0.25 per cent of their class, fourteen days, and

(ii) in any other case, twenty-eight days,

(e) an "excepted transfer" means, in relation to any shares held by a Member

(i) a transfer pursuant to acceptance of a take-over offer; or

(ii) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded, or

(iii) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares

(6) Nothing in this article shall limit the powers of the Company under section 216 of the Act or any other powers of the Company whatsoever

86 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote

not disallowed at such meeting shall be valid for all purposes Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive

- 87 On a poll votes may be given personally or by proxy and 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
- 88 The instrument appointing a proxy shall be in writing in any usual or common form, or any other form which the Directors may approve, under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised The signature on such instrument need not be witnessed In this Article references to in writing include the use of electronic communication subject to any terms and conditions decided on by the Directors<sup>30</sup>
- 89 A proxy need not be a Member of the Company A Member may appoint more than one proxy to attend on the same occasion Deposit of an instrument of proxy shall not preclude a Member from attending and voting in person at the meeting or any adjournment thereof
- 90 An instrument appointing a proxy, which is not an electronic communication, and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of that power or authority shall be deposited at the Office or at such other place (if any) within the United Kingdom as is specified for that purpose in or by way of note to the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than twenty-four hours before

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<sup>30</sup> Amended by Special Resolution passed on 17 April 2001

the time appointed for the taking of the poll at which it is to be used, and in default the instrument of proxy shall not be treated as valid<sup>31</sup>

- 90A An instrument appointing a proxy which is an electronic communication shall be received at an address specified for that purpose in or by way of note to the notice convening the meeting and the power of attorney or other authority, if any, under which it is given, or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of that power or authority shall be deposited at the Office, or at such other place (if any) within the United Kingdom as is specified for that purpose in or by way of note to the notice convening the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll at which it is to be used, and in default the instrument of proxy shall not be treated as valid<sup>32</sup>
91. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or adjourned meeting in cases where the meeting was originally held within twelve months from that date.
- 92 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 93 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of

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<sup>31</sup> Amended by Special Resolution passed on 17 April 2001

<sup>32</sup> Inserted by Special Resolution passed on 17 April 2001

such death, insanity, revocation or transfer shall have been received by the Company at the Office or such other place (if any) as is specified for depositing the instrument of proxy before the commencement of the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given

- 93A Subject to article 83, when two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share
- 93B. The Directors may at the expense of the Company send instruments of proxy to the Members by post or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the holders of any class of shares, either in blank or nominating in the alternative any one or more of the Directors or any other person. If, for the purpose of any meeting, invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote at it. The accidental omission to send such an instrument or give such an invitation to, or the non-receipt thereof by, any Member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting
- 94 Subject to the provisions of the Statutes, a resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, and may consist of two or more documents in like form each signed by one or more of the Members
- 95 Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its

representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

## **DIRECTORS**

96. Unless and until the Company in General Meeting shall otherwise determine, the number of Directors shall be not more than fifteen nor less than two
97. A Director shall not be required to hold any shares in the capital of the Company. A Director who is not a Member shall nevertheless be entitled to receive notice of and attend and speak at all General Meetings of the Company and all separate General Meetings of the holders of any class of shares in the capital of the Company
98. Sub-sections (2) to (6) of Section 293 of the Companies Act 1985 shall apply to the Company
99. A Director of the Company may be or continue as or become a director or other officer servant or Member of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received or receivable by him as a director or other officer servant or member of, or from his interest in, such other company
100. (1) The Directors shall be paid out of the funds of the Company by way of fees for their services as Directors such sums (if any) as the Directors may from time to time determine (not exceeding in the aggregate an annual sum of £500,000 or such larger amount as the Company may by Ordinary Resolution determine) and such remuneration shall be divided between the Directors as they shall



agree or, failing agreement, equally Such remuneration shall be deemed to accrue from day to day<sup>33</sup>.

- (2) The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings or otherwise in connection with the business of the Company

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

102 The Company shall in accordance with the provisions of the Statutes duly keep a register showing, as respects each Director, interests of his in shares in, or debentures of, the Company or associated companies

#### **ALTERNATE DIRECTORS**

- 103 (A) Each Director shall have the power at any time to appoint as an alternate Director either (i) another Director or (ii) any other person approved for that purpose by a resolution of the Directors, and, at any time, to terminate such appointment Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the Office An alternate Director shall not be required to hold any shares in the capital of the Company and shall not be counted in reckoning the maximum and minimum number of Directors allowed or required by these Articles

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<sup>33</sup> Amended by Special Resolution passed on 17 April 2001

- (B) An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- (C) An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member and to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as alternate Director of his appointor, and to receive notice of all General Meetings.
- (D) The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- (E) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but shall count as only one for the purpose of determining whether a quorum be present.
- (F) In this Article references to written notice and to writing include the use of electronic communication subject to any terms and conditions decided on by the Directors<sup>34</sup>

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<sup>34</sup> Inserted by Special Resolution passed on 17 April 2001

## BORROWING POWERS

- 104 (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Statutes and Article 9 of these Articles to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party
- (B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of an Ordinary Resolution of the Company in General Meeting exceed a sum equal to the greater of £120,000,000 and five times the aggregate of
- (i) the amount paid up on the share capital of the Company,
  - (ii) the credit balance on the share premium account of the Company,
  - (iii) the credit balance on the capital redemption reserve of the Company, and
  - (iv) the credit balances on any other reserves of the Group including but not limited to the statutory reserves of subsidiary undertakings, currency translation reserves and the profit and loss account,
- less
- (i) any debit balances on any other reserves of the Group including but not limited to currency translation reserves and the profit and loss account

all as shown in the latest, audited, consolidated balance sheet of the Group after making such adjustments as may be appropriate in respect of any variation in the amount paid up on the share capital, share premium or capital redemption reserve since the date of the latest audited consolidated balance sheet

plus

- (i) the amount of goodwill written off to reserves resulting from acquisitions, as reduced by goodwill attributable to subsidiary undertakings which have been disposed of or closed, and
  - (ii) the cumulative amortisation of goodwill charged to the profit and loss account as reduced by amortisation attributable to subsidiary undertakings which have been disposed of or closed<sup>35</sup>
- (C) For the purpose of the foregoing limit "moneys borrowed" shall be deemed to include the following except in so far as otherwise taken into account (together in each case with any fixed or minimum premium payable on final repayment)
- (i) the principal amount for the time being owing (other than to a member of the Group) in respect of any loan capital, whether secured or unsecured, issued by a member of the Group in whole or in part for cash or otherwise,
  - (ii) the principal amount raised by any member of the Group by acceptances or under any acceptance credit opened on its behalf by any bank or accepting house other than acceptances relating to the purchase of goods in the ordinary course of trading and outstanding for not more than ninety days,
  - (iii) the nominal amount of any share capital, and the principal amount of any moneys borrowed or other indebtedness, the redemption or

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<sup>35</sup> Amended by Special Resolution passed on 17 April 2001

repayment of which is guaranteed or secured or is the subject of an indemnity given by any member of the Group and the beneficial interest in the redemption or repayment of which is not owned within the Group, and

- (iv) the nominal amount of any share capital (not being equity share capital which as regards capital has rights no more favourable than those attached to its ordinary share capital) of any subsidiary of the Company owned otherwise than by other members of the Group,
- (v) the amount of any "moneys borrowed", in the case of any moneys denominated or repayable in a currency or currencies other than United Kingdom sterling shall be translated for the purpose of calculating the sterling equivalent at the rate of exchange prevailing in London on the relevant day by reference to the amount in sterling which would be required in such currency to purchase such amount in sterling at the arithmetical mean of the spot rates of exchange for purchase of sterling quoted as at the close of business on the relevant day in the London foreign exchange market provided that any of such moneys shall be translated at the rate of exchange prevailing in London six months or three months before such day if thereby such aggregate amount would be less

but "moneys borrowed" shall not include and shall be deemed not to include

- (i) amounts borrowed for the purpose of repaying the whole or any part (with or without premium) of any moneys borrowed by any member of the Group then outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period, and
- (ii) the proportion of the excess outside borrowing of a partly owned subsidiary which corresponds to the proportion of its equity share

capital owned otherwise than by members of the Group and so that, for this purpose, the expression "excess outside borrowing" shall mean so much of the borrowings of such partly owned subsidiary otherwise than from members of the Group as exceeds the amounts (if any) borrowed from it by other members of the Group

- (D) No lender or other person dealing with the Company or any of its subsidiaries shall be concerned to see or inquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the said limit has been or would thereby be exceeded

104A A certificate or report by the reporting accountants of the Company (such accountants being qualified to act as registered auditors) (hereafter in this Article 104A referred to as "auditors") as to the amount of the money borrowed or secured or to the effect that the limit imposed by article 104 has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of article 104. For the purposes of their computation, the auditors may at their discretion make such further or other adjustments (if any) as they think fit. Nevertheless, for the purposes of article 104 the Directors may act in reliance on a bona fide estimate of the amount of money borrowed or secured at any time and, if in consequence such limit is inadvertently exceeded, an amount of money borrowed equal to the excess may be disregarded until the expiration of 60 days after the date on which (by reason of a determination of the auditors or otherwise) the Directors become aware that such a situation has or may have arisen<sup>36</sup>

## **POWERS AND DUTIES OF DIRECTORS**

105 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Statutes or by these Articles required

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<sup>36</sup> Amended by Special Resolution passed on 17 April 2001

to be exercised by the Company in General Meeting, subject, nevertheless, to the provisions of these Articles and of the Statutes, and to such directions, being not inconsistent with any provisions of these Articles and of the Statutes, as may be given by the Company in General Meeting. Provided that no direction given by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such direction had not been given. The general powers conferred upon the Directors by this Article shall not be deemed to be abridged or restricted by any specific power conferred upon the Directors by any other Article

- 106 The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of Schemes, Trusts and Funds (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).
- 107 The Directors may make such arrangements as they think fit for the management and transaction of the Company's affairs in the United Kingdom and elsewhere and may from time to time and at any time establish any local boards or agencies for managing any of the affairs of the Company in any specified locality, and may appoint any persons to be members of such local board, or any managers or agents, and may fix their remuneration. And the Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Directors (other than the powers of borrowing and of making calls), with power to sub-delegate, and may authorise the members for the time being of any such local board, or any of them, to fill up any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be

made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation but no person dealing in good faith and without notice of such annulment or variation shall be affected thereby

- 108 The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney 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
- 109 The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and the powers conferred by Section 40 of the Companies Act 1985 with regard to having an official seal for sealing and evidencing securities, and such powers shall be vested in the Directors
- 110 The Company may exercise the powers conferred upon the Company by the Statutes with regard to the keeping of an overseas branch register, and the Directors may (subject to the provisions of the Statutes and the Regulations) make and vary such regulations as they may think fit respecting the keeping of any such register<sup>37</sup>
- 111 (A) Subject to the provisions of the Statutes, a Director may hold any other office or place of profit under the Company, except that of Auditor, in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Directors may arrange Any such remuneration shall be in addition to any remuneration provided for by any

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<sup>37</sup> Amended by Special Resolution passed on 17 April 2001



other Article No Director or intending Director shall be disqualified by his office from entering into any contract, arrangement, transaction or proposal with the Company either with regard to his tenure of any such other office or place of profit or any such acting in a professional capacity or as a vendor, purchaser or otherwise Subject to the provisions of the Statutes and save as therein provided no such contract, arrangement, transaction or proposal entered into by or on behalf of the Company in which any Director or person connected with him is in any way interested, whether directly or indirectly, shall be liable to be avoided, nor shall any Director who enters into any such contract, arrangement, transaction or proposal or who is so interested be liable to account to the Company for any profit realised by any such contract, arrangement, transaction or proposal by reason of such Director holding that office or of the fiduciary relation thereby established, but he shall declare the nature of his interest in accordance with the Statutes For the purposes of this article 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

- (B) Save as herein provided, a Director shall not vote in respect of any contract, arrangement, transaction or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting
- (C) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely
  - (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries,

- (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security,
- (iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase, in which offer he is or is to be interested as a holder of securities or as a participant in the underwriting or sub-underwriting thereof,
- (iv) any contract, arrangement, transaction or other proposal concerning any other company in which he does not hold an interest in shares (as that term is used in Part VI Companies Act 1985) representing 1% or more of either any class of the equity share capital of that company (or any other company through which his interest is derived), or the voting rights in the relevant company, and for the purpose of calculating the said percentage there shall be disregarded any shares held by the Director as a bare custodian or trustee and in which he has no beneficial interest, and any shares comprised in any authorised unit trust scheme in which the Director is interested only as a unit holder,
- (v) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which has been approved by the Inland Revenue or is conditional upon such approval or does not award him any privilege or benefit not awarded to the employees to whom such scheme relates, and
- (vi) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of any scheme for enabling Directors and employees including full-time Executive Directors of the

Company and/or any subsidiary to acquire shares of the Company or any arrangement for the benefit of Directors and employees of the Company or any of its subsidiaries under which the Director benefits in a similar manner to employees and which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom the scheme relates, and

(vii) the purchase and/or maintenance of any insurance as permitted by Article 164 below<sup>38</sup>

- (D) A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof
- (E) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under paragraph (C)(iv) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment
- (F) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature

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<sup>38</sup> Inserted by a Special Resolution passed on 30 May 1990

or extent of the interests of the Director concerned have not been fairly disclosed

- (G) Subject to the provisions of the Statutes the Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article

112 The Directors may exercise or procure the exercise of the voting rights conferred by the shares in any other company held or owned by the Company, and may exercise any voting rights to which they are entitled as Directors of such other company, in such manner as they shall in their absolute discretion think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, officers servants of such other company, and fixing their remuneration as such, and may vote as Directors of this Company in connection with any of the matters aforesaid.

113 All cheques, promissory notes, drafts, bills of exchange and other negotiable 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 determine

114 The Directors shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of officers made by the Directors,
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors,
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors

It shall not be necessary for Directors present at any meeting of Directors or committee of Directors to sign their names in the Minute Book or other book kept for recording attendance Any such minute as aforesaid, if purporting to be signed by the Chairman of the meeting at which the proceedings were had, or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes without any further proof

## **DISQUALIFICATION OF DIRECTORS**

115 The office of a Director shall be vacated in any of the following events namely

- (a) If he becomes bankrupt or makes any arrangement or composition with his creditors generally
- (b) If he becomes prohibited by law from acting as a Director
- (c) If in England or elsewhere an Order is made by any Court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or other person to exercise powers with respect to his property or affairs
- (d) If he resigns his office by notice in writing under his hand to the Company or offers in writing under his hand to resign and the Directors resolve to accept such offer
- (e) If not having leave of absence from the Directors, he and his alternate (if any) fail to attend the meetings of the Directors for six successive months, unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient, and the Directors resolve that his office be vacated

- (f) In the case of a Director who holds any executive office, if his appointment as such is terminated or expires and the Directors resolve that his office be vacated, or
- (g) If he is requested in writing by all the other Directors to resign

## **ROTATION OF DIRECTORS**

116 At each Annual General Meeting of the Company one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office but

- (a) if any Director has at the start of the annual general meeting been in office for more than three years since his last appointment or reappointment, he shall retire, or
- (b) if there is only one Director who is subject to retirement by situation, he shall retire.

A Director retiring at a meeting shall retain office until the dissolution of such meeting<sup>39</sup>

117 The Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot A retiring Director shall be eligible for re-election

118 If at any General Meeting at which an election of Directors ought to take place the place of any Director retiring by rotation be not filled up, then, subject to any resolution reducing the number of Directors in office, such retiring Director shall, if

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<sup>39</sup> Amended by Special Resolution passed on 17 April 2001

willing, continue in office until the dissolution of the Annual General Meeting in the next year, and so on from year to year until his place is filled up, unless a resolution for his re-election shall have been put to the meeting and lost

- 119 A single resolution for the appointment of two or more persons as Directors shall not be put at any General Meeting, unless a resolution that it shall be so put has first been agreed to by the meeting without any vote being given against it
- 120 No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting unless not less than seven nor more than twenty-one days before the date appointed for the meeting there shall have been left at the Office, notice in writing, signed by one or more Members duly qualified to attend and vote at such meeting and holding in aggregate not less than 10% of the ordinary share capital of the Company, of the intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected
- 121 The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors then in office, and may also determine in what rotation the increased or reduced number is to go out of office
- 122 The Directors shall have power at any time, and from time to time, to appoint any person to be a Director of the Company, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed by or pursuant to these Articles Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting
- 123 The Company may by Ordinary Resolution, of which special notice has been given in accordance with the provisions of the Statutes, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without

prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company

- 124 The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding Article, and without prejudice to the powers of the Directors under Article 122 the Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director

## **PROCEEDINGS OF DIRECTORS**

- 125 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. For the purposes of determining whether the quorum for the transaction of the business of the Directors exists

- (a) in the case of a resolution agreed by Directors in telephonic communication, all such Directors shall be counted in the quorum,
- (b) in the case of a meeting of Directors, in addition to the Directors present at the meeting, any director in telephonic communication with such meeting shall be counted in the quorum

Telephonic communication shall mean communication by telephone, video-conference or equivalent means.

Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting



of the Directors but on not less than 48 hours' notice, save that where circumstances require it, the Directors present at the meeting may deem any shorter notice period to be appropriate and sufficient

- 126 Notice of a Board Meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board Meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, whether or not out of the United Kingdom. In this Article references to in writing include the use of electronic communication subject to any terms and conditions decided on by the Directors<sup>40</sup>
- 127 The continuing Directors or sole continuing Director may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company, but for no other purpose
- 128 The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting
- 129 The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. Save as aforesaid the meetings and proceedings of a

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<sup>40</sup> Amended by Special Resolution passed on 17 April 2001

committee consisting of more than one member shall be governed by the provisions of these Articles regulating the proceedings and meetings of Directors

- 130 All acts done by any meeting of the Directors or of a committee of the Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director, and was entitled to vote
- 131 A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effective for all purposes as a resolution of the Directors passed at a meeting duly convened and held, and may consist of two or more documents in like form each signed by one or more of the Directors Provided that such a resolution need not be signed by an alternate Director if it is signed by the Director who appointed him In this Article references to in writing include the use of electronic communication subject to any terms and conditions decided on by the Directors<sup>41</sup>
- 131A Without prejudice to the first sentence of Article 125, a Director entitled to be present at a meeting of the Directors or of a committee of the Directors shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously A Director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly Such a meeting shall be deemed to take place where it is convened to be held or (if no Director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting is The word "meeting" in these Articles shall be construed accordingly<sup>42</sup>

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<sup>41</sup> Amended by Special Resolution passed on 17 April 2001

<sup>42</sup> Inserted by Special Resolution passed on 17 April 2001

## MANAGING AND EXECUTIVE DIRECTORS

- 132 Subject to the provisions of the Statutes the Directors may from time to time appoint one or more of their body to the office of Managing Director, Chief Executive Officer, Executive Vice-President or Senior Vice-President or to hold such other Executive Office in relation to the management of the business of the Company as they may decide, for such period and on such terms as they think fit, and, without prejudice to the terms of any service contract entered into in any particular case and to any claim for damages such Director may have for breach of any such service contract, may revoke such appointment. Without prejudice to any claim for damages such Director may have for breach of any service contract between him and the Company, his appointment shall be automatically determined if he ceases from any cause to be a Director.
- 133 The salary or remuneration of any Managing Director, Chief Executive Officer, Executive Vice-President or Senior Vice-President or such Executive Director of the Company shall, subject as provided in any contract, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, and may include the making of provisions for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance benefits, or may be upon such other terms as the Directors determine.
- 134 The Directors may entrust to and confer upon a Managing Director, Chief Executive Officer, Vice-President or Senior Vice-President or such Executive Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **PRESIDENT**

- 135 Subject to the provisions of the Statutes the Directors may from time to time appoint an individual who is not a Director to the non-executive honorary office of President for such period as they think fit, and may revoke such appointment

## **SECRETARY**

- 136 Subject to the provisions of the Statutes the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit, and any Secretary may be removed by them

## **THE SEAL**

- 137 The Directors shall provide for the safe custody of the Seal and any official seal kept under Section 40 of the Companies Act 1985, and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf Every instrument to which either shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature

## **RESERVE**

- 138 The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Directors think fit The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they

think fit The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide

## **DIVIDENDS**

- 139 The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors
- 140 The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.
141. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Statutes which apply to the Company
- 142 Subject to the rights of persons, if any, entitled to shares with any priority, preference or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as if paid up in full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly
- 143 The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company
- 144 Any General Meeting declaring a dividend may, upon the recommendation of the Directors, direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company, and the Directors shall give effect to such direction Where difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in

particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors

- 145 All dividends and interest shall belong and be paid (subject to any lien of the Company) to those Members whose names shall be on the Register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by Ordinary Resolution or the Directors may determine notwithstanding any subsequent transfer or transmission of shares. The Company may pay any dividend, interest or other moneys payable in cash in respect of shares, by direct debit, bank transfer, cheque, dividend warrant or money order and may remit the same by post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder whose name stands first in the Register, or to such person and to such address as the holder or joint holders may in writing direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order. Every such cheque, warrant or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders may in writing direct, and the payment of such cheque, warrant or order shall be a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the share held by him as joint-holder
- 146 No dividend or other moneys payable on or in respect of a share shall bear interest against the Company
- 147 All dividends, interest or other sums payable unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after the date the dividend became due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed dividend, interest or other sum payable by

the Company on or in respect of any share into a separate account shall not constitute the Company a trustee thereof

## **CAPITALISATION OF PROFITS**

148 Subject to the provisions of article 149, the Directors may capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including any share premium account and capital redemption reserve) or to the credit of the profit and loss account (in each case, whether or not such amounts are available for distribution), and appropriate the sum resolved to be capitalised either

- (i) to the holders of Ordinary Shares who would have been entitled thereto if distributed by way of dividend and in the same proportions, or
- (ii) to such number of the holders of ordinary shares who may, in relation to any dividend or dividends, validly accept (whether before or after the date of adoption of this Article) an offer or offers on such terms as the Directors consider appropriate to receive new Ordinary Shares, credited as fully paid, in lieu of the whole or part of any such dividend or dividends (any such offer being called a "Scrip Dividend Offer")

and the Directors shall apply such sum on their behalf either in or towards paying up any amounts for the time being unpaid on any shares held by such holders of ordinary shares respectively or in paying up in full unissued shares or debentures of the Company to be allotted credited as fully paid up to such holders of ordinary shares (where paragraph (i) applies, in the proportion aforesaid), or partly in the one way and partly in the other<sup>43</sup>

- 149 (a) The authority of the Company in general meeting shall be required before the Directors implement any Scrip Dividend Offer (which authority may extend to one or more offers)

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<sup>43</sup> Substituted by Special Resolution passed on 4 June 1993

- (b) The authority of the Company in general meeting shall be required for any capitalisation pursuant to paragraph (i) of Article 148 above
- (c) A share premium account and a capital redemption reserve and any other amounts which are not available for distribution (and, in the case of a Scrip Dividend Offer, any other reserve and the profit and loss account) may, for the purposes of Article 148, only be applied in the paying up of unissued shares to be allotted to holders of Ordinary Shares of the Company credited as fully paid (and, in the case of any Scrip Dividend Offer, such shares shall be allotted in accordance with the terms of such offer)
- (d) The Directors may in their discretion suspend or terminate any Scrip Dividend Offer which is in operation<sup>44</sup>

150 Wherever a capitalisation is to be effected, the Directors may do all acts and things which they may consider necessary or expedient to give effect thereto, with full power to the Directors to make such provision as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all members concerned into an agreement with the Company providing for any capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned<sup>45</sup>

## ACCOUNTS

151 The Directors shall cause accounting records to be kept in accordance with the provisions of the Statutes

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<sup>44</sup> Substituted by Special Resolution passed on 4 June 1993

<sup>45</sup> Substituted by Special Resolution passed on 4 June 1993



152. The accounting records shall be kept at the Office subject to the provisions of the Statutes, at such other place or places as the Directors think fit, and shall always be open to the inspection of the officers of the Company
- 153 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting
154. The Directors shall from time to time in accordance with the provisions of the Statutes, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in the Statutes
- 155 A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report, shall not less than twenty-one days before the date of the meeting be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company) and every holder of debentures of the Company (whether or not he is so entitled) and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or these Articles, but this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures
- 155A The Company may, in accordance with the Act and any regulations made under it, send a summary financial statement to any Member instead of or in addition to the documents referred to in Article 155, and where it does so, the statement shall be

delivered or sent by post to the Member not less than twenty-one clear days before the annual general meeting before which those documents are to be laid<sup>46</sup>

155B For the purposes of Articles 155 and 155A, sending includes using electronic communications or publication on a web site or sites in accordance with legislation<sup>47</sup>

## AUDIT

156 Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes

## NOTICES

157 A notice may be given by the Company to any Member either personally or by sending it by post to him or to his registered address wherever situate, or if he has supplied an address within the United Kingdom to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. In the case of a holder of a share warrant, notice may be given by advertisement in at least one national daily newspaper.

158 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the latest within twenty-four hours if prepaid as first-class and within seventy-two hours if prepaid as second-class after the letter containing the same is posted, and in proving such service it shall be sufficient prove that the letter containing the same was properly addressed and stamped and put into a post office. A notice contained in electronic communication shall be deemed to have been given at the expiration of 48 hours after the time it was sent. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the

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<sup>46</sup> Amended by Special Resolution passed on 17 April 2001

<sup>47</sup> Inserted by Special Resolution passed on 17 April 2001

Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given<sup>48</sup>

- 159 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share
- 160 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 it through the post in a prepaid letter 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 the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred
- 161 Subject to such restrictions affecting the right to receive notice as are for the time being applicable to the holders of any class of shares, notice of every General Meeting shall be given in any manner hereinbefore authorised to
- (a) every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them,
  - (b) the Auditor for the time being of the Company;
  - (c) the Directors and (if any) alternate Directors

No other person shall be entitled to receive notices of General Meetings

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<sup>48</sup> Amended by Special Resolution passed on 17 April 2001

161A For the purposes of these Articles, where appropriate the Company can also deliver or serve any notice or other document by using electronic communications and by publication on a web site or sites in accordance with legislation<sup>49</sup>

## **PROVISION FOR EMPLOYEES**

162 The specific power conferred upon the Company by Section 719 of the Companies Act 1985 to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries, in connection with the cessation or the transfer to any person of the whole or a material part of the undertaking of the Company or any material subsidiary shall only be exercised by the Company with the prior sanction of a Special Resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power as aforesaid shall be deemed to be a variation of the rights attached to each class of shares and shall accordingly require either (i) the prior consent in writing of the holders of three-fourths of the issued shares or (ii) the prior sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares, of each class, in accordance with the provisions of Article 16 hereof

## **WINDING UP**

163 If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the Company and any other sanction required by the Statutes, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think

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<sup>49</sup> Inserted by Special Resolution passed on 17 April 2001

fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability

## **INDEMNITY**

164 Subject to and to the fullest extent permitted by the Statutes, but without prejudice to any indemnity to which he may be otherwise entitled

- (a) every Director and alternate Director shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any proceedings (whether civil or criminal) which relate to anything done or omitted or alleged to have been done or omitted by him as a Director or alternate Director save that no Director or alternate Director shall be entitled to be indemnified
  - (i) for any liability incurred by him to the Company or any associated company of the Company (as defined by the Statutes for these purposes),
  - (ii) for any fine imposed in criminal proceedings which have become final,
  - (iii) for any sum payable to a regulatory authority by way of a penalty in respect of non compliance with any requirement of a regulatory nature howsoever arising,
  - (iv) for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final,
  - (v) for any costs for which he has become liable in defending any civil proceedings brought by the Company or an associated company in which a final judgment has been given against him, and

- (vi) for any costs for which he has become liable in connection with any application under sections 144(3) or (4) or 727 of the Statutes in which the court refuses to grant him relief and such refusal has become final.
- (b) every Director and alternate Director shall be entitled to have funds provided to him by the Company to meet expenditure incurred or to be incurred in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a Director or alternate Director, provided that he will be obliged to repay such amounts no later than
  - (i) in the event he is convicted in proceedings, the date when the conviction becomes final,
  - (ii) in the event of judgment being given against him in proceedings, the date when the judgment becomes final, or
  - (iii) in the event of the court refusing to grant him relief on any application under sections 144(3) or (4) or 727 of the Statutes, the date when the refusal becomes final<sup>50</sup>

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<sup>50</sup> Substituted by Special Resolution passed on 26 April 2007

**THIS DOES NOT FORM PART OF THE ARTICLES OF ASSOCIATION**

**MANAGEMENT CONSULTING GROUP PLC**

**ARTICLES OF ASSOCIATION**

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