

10680-8

THE COMPANIES ACTS 1948 TO 1967

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of  
BAKKAVOL HOLDINGS LIMITED  
~~GEEST HOLDINGS LIMITED~~



1. The Name of the Company is "~~GEEST HOLDINGS LIMITED~~ <sup>BAKKAVOL HOLDINGS LIMITED</sup>."
2. The Registered Office of the Company will be situate in England.
3. The Objects for which the Company is established are :-
- (A) (i) To carry on the business of a Holding Company in all its branches, and to acquire by purchase, lease, concession, grant, licence or otherwise deal in such businesses, options, rights, privileges, lands, buildings, leases, underleases, stocks, shares, debentures, bonds, obligations, securities, reversionary interests, annuities, policies of assurance and other property and rights and interests in property as the Company shall deem fit, and generally to hold, manage, develop, lease, sell, or dispose of the same; and to vary any of the investments of the Company, and to enter into, assist or participate in financial, commercial, mercantile, industrial and other transactions, undertakings, and businesses of every description.
- (ii) To co-ordinate the policy and administration of any subsidiary companies or any companies of which this Company is a Member or which are in any manner controlled by this Company.
- (iii) To carry on all or any of the businesses of building and civil engineering contractors, land, estate and property developers, repairers and jobbers, estate agents and managers, mortgage and insurance brokers, and agents, surveyors, valuers and auctioneers, builders' merchants, plant hire specialists, painters, decorators, plumbers, haulage and transport contractors, electricians and general engineers, financiers for the promotion of the sale for cash or on credit, or on the instalment plan or hire purchase agreement or easy payment system or otherwise of goods, wares, produce, products and merchandise of every description, and general merchants, agents and traders.

- (B) To carry on any other trade or business which may seem to the Company capable of being conveniently carried on in connection with the objects specified in Sub-Clause (A) hereof.
- (C) To purchase or by any other means acquire any property for any estate or interest whatever, and any rights, privileges, or easements over or in respect of any property, and any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, rolling stock, vehicles, plant, stock, barges, vessels, 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 erect, construct, maintain, alter, enlarge, pull down, and remove or replace any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, walls, fences, banks, dams, sluices, or watercourses 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.
- (E) To purchase or otherwise acquire, take over, and undertake the whole or any part of the business 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 partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm, or company, or for subsidising or otherwise assisting 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, Debenture Stock, or Securities that may be agreed upon, and to hold and retain, or sell, mortgage, and deal with any Shares, Debentures, Debenture Stock, or Securities so received.

- (F) To apply for, register, purchase, or by other means acquire and protect, prolong, and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, licences, trade marks, designs, protections, and concessions, 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.
- (G) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, 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.
- (H) To lend and advance money or give credit to such persons, firms, or companies and on such terms as may seem expedient, and to give guarantees or become security for any such persons, firms, or companies.
- (I) 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, and to secure the repayment of any money borrowed, raised, or owing, by mortgage, charge, or lien upon 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 of any obligation or liability it may undertake.
- (J) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (K) To invest and deal with the moneys of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.

- (L) To apply for, promote, and obtain any Act of Parliament, Provisional Order, or Licence of the Board of Trade or other Authority for enabling the Company to carry any of its objects into effect, or for any purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (M) To enter into any arrangements with any Governments or Authorities or any companies, firms, or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, Authority, company, firm, or person any charters, contracts, decrees, rights, privileges, and concessions, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges, and concessions.
- (N) 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.
- (O) To subscribe for, purchase, or otherwise acquire and hold Shares or other interests 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 carried on so as directly or indirectly to benefit this Company.
- (P) To remunerate any person, firm, or company rendering services to this Company, either 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 as may be thought expedient.
- (Q) To support and subscribe to any charitable or public object, and any institution, society, or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid to any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served

the Company, and to the wives, widows, children, and other relatives and dependents of such persons; to make payments towards insurance; and to set up, establish, support, and maintain superannuation and other funds or schemes for the benefit of any of such persons and of their wives, widows, children, and other relatives and dependents.

- (R) To promote any other company for the purpose of acquiring the whole or any part of the business or property 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 any property or business of this Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (S) To sell or otherwise dispose of the whole or any part of the business or property 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.
- (T) To distribute among the Members of the Company in kind any 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.
- (U) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any Shares, Debentures, Debenture Stock, or other Securities of this Company.
- (V) To procure the Company to be registered or recognised in any part of the world.

- (W) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

It is hereby expressly declared that each Sub-Clause of this Clause shall be construed independently of the other Sub-Clauses hereof, and that none of the objects mentioned in any Sub-Clause shall be deemed to be merely subsidiary to the objects mentioned in any other Sub-Clause.

4. The Liability of the Members is Limited.

5. \* The Share Capital of the Company is £100, divided into One Hundred Shares of £1 each.

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\* By Special Resolution passed on the 5th September 1972

the Share Capital has increased to £500,000.00

limited to 500,000 shares of £1 each

WE the several persons whose Names, Addresses, and Descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

NAMES, ADDRESSES, AND DESCRIPTIONS OF SUBSCRIBERS.	Number of Shares taken by each Subscriber
GEORGE A. CORDEROY Temple Chambers, Temple Avenue, London, EC4Y 0HP. Company Director.	One
ROY C. KEEN Temple Chambers, Temple Avenue, London, EC4Y 0HP. Company Director.	One

Dated the 1st day of August , 1972.

Witness to the above Signatures:-

NIGEL L. BLOOD  
Temple Chambers,  
Temple Avenue,  
London, EC4Y 0HP.

No. of Company: 1068048

THE COMPANIES ACTS 1948 TO 1967

COMPANY LIMITED BY SHARES

(Copy)

SPECIAL RESOLUTIONS

(Pursuant to Sections 10, 61 and 141 of the Companies Act 1948)

of

GEEST HOLDINGS LIMITED

Passed the 5th day of September, 1972.

At an EXTRAORDINARY GENERAL MEETING of the Members of the above-named Company, duly convened and held at White House Chambers, Spalding, Lincolnshire on the 5th day of September 1972, the following SPECIAL RESOLUTIONS were duly passed :-

1. That with a view to and (inter alia) for the purpose of the acquisition of the whole of the issued share capital of Geest Industries Limited the nominal share capital of the Company be and it is hereby increased from £100 to £3,000,000 by the creation of 750,000 7½% Cumulative Preference Shares of £1 each, 250,000 35% Convertible Preferred Ordinary Shares of £1 each, a further 1,799,900 Ordinary Shares of £1 each and 200,000 unclassified Shares of £1 each and to rank in the case of the Ordinary Shares pari passu in all respects with the existing 100 Ordinary Shares of £1 each.
2. That the Regulations contained in the document submitted to the Meeting and for the purpose of identification signed by the Chairman be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

J. VAN GEEST

Chairman.



GEEST HOLDINGS LIMITED

The following changes have been effected to the Articles of Association of Geest Holdings Limited -

1. the changes set out in Attachment 1 were passed at the Extraordinary General Meeting referred to therein
2. The changes set out in Attachment 2 were passed at the Extraordinary General Meeting referred to therein.

GEEST HOLDINGS LIMITED

The following changes have been effected to the Articles of Association of Geest Holdings Limited -

1. the changes set out in Attachment 1 were passed at the Extraordinary General Meeting referred to therein
2. The changes set out in Attachment 2 were passed at the Extraordinary General Meeting referred to therein.

## GEEST HOLDINGS LIMITED

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above named Company will be held at Hambros Bank Limited, 51 Bishopsgate, London EC2P 2AA on the 11th day of November 1986 at 3.20 o'clock in the afternoon for the purpose of considering and, if thought fit, passing the sub-joined Resolution as a Special Resolution :-

### SPECIAL RESOLUTION

THAT, subject to and conditionally upon the grant by the Council of The Stock Exchange of consent for the admission of the ordinary share capital of Geest PLC, issued and to be issued, to the Official List, such grant being evidenced by the posting of a notice under Rule 520 of the rules of The Stock Exchange and such listing becoming effective not later than 3rd December 1986, the Articles of Association of the Company be, and they are hereby, amended as follows :-

1. By deleting, in Article 4, the words and figures "The share capital of the Company as at the date of the adoption of these Articles is £3,000,000 divided into 750,000 8.05% Cumulative Preference Shares of £1 each...." and replacing the same with the words :-

"The share capital of the Company is £3,000,000 divided into 750,000 8.05% Cumulative Participating Preference Shares of £1 each..."

2. By inserting two new sub-paragraphs to be numbered (iv) and (v) respectively into Article 5(A), as follows :-

"(iv) next and subject thereto in paying to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares (pari passu as if the same constituted one class) a dividend of such amount as the Company shall decide in proportion to the amounts paid or credited as paid on the Preferred Ordinary Shares and the Ordinary Shares held by them respectively

(v) next and subject thereto and if in respect of any financial year the aggregate of the dividends (net of the associated tax credit) paid to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares exceeds £100,000,000 in paying to the holders of the Preference Shares a non-cumulative dividend at a gross rate of 0.5% of the distributable profits (as such expression is defined for the purposes of Section 263(3) of the Companies Act 1985) of the Company which have accrued during the financial year in question"

3. By adding, at the end of Article 83, the following additional sentences :-

"At any time whilst Geest PLC is the registered holder of at least 51% of the ordinary share capital of the Company (as such expression is defined for the purposes of Section 526 of the Income and Corporation Taxes Act 1970) it shall be entitled at any time and from time to time by memorandum in writing to appoint and remove any director from office or to appoint any person as a director. Such removal or appointment shall (in the absence of any contrary provision in the relevant memorandum) take effect forthwith upon delivery of the memorandum to the registered office of the Company"

4. By deleting the words "but so that:-" in Article 90 and by deleting also sub-Articles 90(i) to 90(iv) inclusive in their entirety.
5. By deleting Articles 100 to 108 (inclusive) in their entirety and renumbering all subsequent Articles accordingly.
6. By substituting the words and figures "Article 130" for the words and figures "Article 139" in Articles 5(B)(iv) 5(B)(v)(a) and 6(2)(A)(ii)

DATED

11<sup>th</sup> November

1986

BY ORDER OF THE BOARD



Secretary

NB: A person entitled to attend and vote at the Meeting convened by the attached notice may appoint a proxy to attend and vote in his place. A proxy need not be a member of the Company.

## GEEST HOLDINGS LIMITED

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above named Company will be held at Hambros Bank Limited, 51 Bishopsgate, London EC2P 2AA on the 11th day of November 1986 at 3.20 o'clock in the afternoon for the purpose of considering and, if thought fit, passing the sub-joined Resolution as a Special Resolution :-

### SPECIAL RESOLUTION

THAT, subject to and conditionally upon the grant by the Council of The Stock Exchange of consent for the admission of the ordinary share capital of Geest PLC, issued and to be issued, to the Official List, such grant being evidenced by the posting of a notice under Rule 520 of the rules of The Stock Exchange and such listing becoming effective not later than 3rd December 1986, the Articles of Association of the Company be, and they are hereby, amended as follows :-

1. By deleting, in Article 4, the words and figures "The share capital of the Company as at the date of the adoption of these Articles is £3,000,000 divided into 750,000 8.05% Cumulative Preference Shares of £1 each...." and replacing the same with the words :-

"The share capital of the Company is £3,000,000 divided into 750,000 8.05% Cumulative Participating Preference Shares of £1 each..."
2. By inserting two new sub-paragraphs to be numbered (iv) and (v) respectively into Article 5(A), as follows :-
  - "(iv) next and subject thereto in paying to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares (pari passu as if the same constituted one class) a dividend of such amount as the Company shall decide in proportion to the amounts paid or credited as paid on the Preferred Ordinary Shares and the Ordinary Shares held by them respectively
  - (v) next and subject thereto and if in respect of any financial year the aggregate of the dividends (net of the associated tax credit) paid to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares exceeds £100,000,000 in paying to the holders of the Preference Shares a non-cumulative dividend at a gross rate of 0.5% of the distributable profits (as such expression is defined for the purposes of Section 263(3) of the Companies Act 1985) of the Company which have accrued during the financial year in question"

GEEST HOLDINGS LIMITED

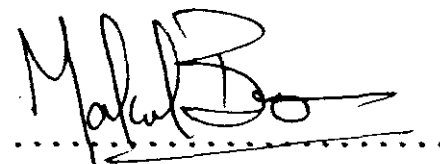
NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above named Company will be held at White House Chambers Spalding on the 29th day of June 1987 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the sub-joined Resolution as a Special Resolution:-

SPECIAL RESOLUTION

THAT the Articles of Association of the Company be and they are hereby amended by deleting Article 14 in its entirety

DATED 29 June 1987

BY ORDER OF THE BOARD

  
.....  
Secretary

NOTE

A person entitled to attend and vote at the Meeting convened by the above Notice may appoint a proxy to attend and vote in his place. A proxy need not be a member of the Company.

THE COMPANIES ACTS, 1948 TO 1967

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of  
BAKKAVOR HOLDINGS LIMITED  
~~GEEST HOLDINGS LIMITED~~

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Adopted by Special Resolution passed on the  
Fifth day of September 1972.

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TABLE A EXCLUDED

1. The regulations contained in Table A in the First Schedule to The Companies Act 1948 shall not apply to the Company except in so far as they are repeated or contained in these Articles.

INTERPRETATION.

2. In these Articles if not inconsistent with the subject or context:-

"the 1948 Act" means the Companies Act 1948.

"the 1967 Act" means the Companies Act 1967

"the Statutes" mean the 1948 Act and the 1967 Act and every other Act for the time being in force concerning joint stock companies and affecting the Company.

"these Articles" mean these Articles of Association as originally framed or as from time to time altered by Special Resolution.

"the Office" means the Registered Office of the Company

"the Register" means the Register of Members of the Company required to be kept by Section 110 of the 1948 Act

"the Seal" means the Common Seal of the Company

"the Secretary" means any person appointed to perform the duties of the Secretary of the Company.

"the United Kingdom" means Great Britain and Northern Ireland

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing works in a visible form.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Statutes.

#### PRIVATE COMPANY.

3. The Company is a Private Company and accordingly:-
- (i) The right to transfer shares is restricted in manner hereinafter prescribed:-
  - (ii) the number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be Members of the Company) is limited to fifty. Provided that where two or more persons hold one or more Shares in the Company jointly they shall for the purposes of this Article be treated as a single Member;
  - (iii) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited;
  - (iv) the Company shall not have power to issue share warrants to bearer.

#### SHARE CAPITAL AND VARIATION OF RIGHTS.

~~The share capital of the Company as at the date of the adoption~~  
4. ~~of the Company is £3,000,000 divided into 750,000 8.05% Cumulative Participating Preference Shares of £1 each...~~  
The share capital of the Company is £3,000,000 divided into 750,000 8.05% Cumulative Participating Preference Shares of £1 each..."



1,800,000 Ordinary Shares of £1 each (hereinafter called "Ordinary Shares") and 200,000 unclassified Shares of £1 each. Notwithstanding anything in these Articles contained for all the purposes of these Articles relating to the payment of dividends and the conversion of the Preferred Ordinary Shares into "A" Ordinary Shares the Preferred Ordinary Shares and all the aforesaid 1,800,000 Ordinary Shares shall be deemed to have been issued fully paid or credited as fully paid on but not before the date of the adoption of these Articles and all dividends shall be paid accordingly.

5. The respective rights as regards income and capital attaching to the several classes of Shares shall be as follows:-

(A) As regards income. The profits which the Company may determine to distribute in respect of any financial year shall be applied:-

- Percentage altered by special resolution passed at EGM held 23.12.82 (alteration effective 1.1.83)*
- 11 1/2% (i) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend at the gross rate of ~~7 1/2%~~ per annum on the amounts paid or credited as paid on such Shares held by them respectively and to be payable half yearly in arrear on the 30th June and the 31st December in every year save that the first such payment shall be made on the 1st January 1973 in respect of the nine months ending on the 31st December 1972.
- (ii) next and subject thereto in paying to the holders of the Preferred Ordinary Shares a fixed cumulative preferential
- "(iv) next and subject thereto in paying to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares (pari passu as if the same constituted one class) a dividend of such amount as the Company shall decide in proportion to the amounts paid or credited as paid on the Preferred Ordinary Shares and the Ordinary Shares held by them respectively
- (v) next and subject thereto and if in respect of any financial year the aggregate of the dividends (net of the associated tax credit) paid to the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares exceeds £100,000,000 in paying to the holders of the Preference Shares a non-cumulative dividend at a gross rate of 0.5% of the distributable profits (as such expression is defined for the purposes of Section 263(3) of the Companies Act 1985) of the Company which have accrued during the financial year in question"

The amount of any dividend payment under sub-paragraph (i), (ii) and (iii) of this paragraph shall in each case be such that when there is added to the payment the amount of any taxation deducted or retained by the Company from or out of the dividend or (in the absence of any such deduction or retention) the amount of any advance corporation tax that would be payable in respect of such payment at the standard rate of advance corporation tax then prevailing the resultant gross amount is equal to a dividend at the relevant gross rate.

(B) As regards capital. On a return of capital in a winding up or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied as follows:

- (i) first in paying to the holders of the Preference Shares the amounts paid or credited as paid on such Shares held by them respectively together with a premium at the rate of 5p per Share and a sum equal to any arrears or deficiency or accruals of the fixed cumulative dividend thereon to be calculated down to the date of the return of capital and to be payable irrespective of whether such dividend has been declared or earned or not;
- (ii) next and subject thereto in paying to the holders of the Preferred Ordinary Shares or (if at the relevant date (as hereinafter defined) the Preferred Ordinary Shares shall pursuant to sub-article (1) of Article 6 hereof have been converted into and shall then be "A" Ordinary Shares) of the "A" Ordinary Shares the amounts paid or credited as paid on such Shares held by them respectively together with a premium at the rate of £4 per Share and a sum equal to any arrears or deficiency or accruals of the fixed cumulative dividend thereon to be calculated down to the date of the return of capital and to be payable irrespective of whether such dividend has been declared or earned or not;
- (iii) next and subject thereto in paying to the holders of Ordinary Shares the amounts paid or credited as paid on such Shares held by them respectively together with a premium at the rate of £4 per Share;
- (iv) next and subject thereto if at the relevant date there are any Deferred Shares in issue following a capitalisation effected pursuant to Article 139 hereof then in paying to the holders of such Deferred Shares the amounts paid or credited as paid on such Shares held by them respectively

(v) next and subject thereto:-

(a) if at the relevant date there are any "B" Ordinary Shares in issue as a result of a conversion of Deferred Shares into "B" Ordinary Shares by virtue of sub-article (4) of Article 13~~9~~ hereof or following a capitalisation effected pursuant to sub-article (2) of Article 6 hereof then in paying to the holders of such "B" Ordinary Shares the amounts paid or credited as paid on such Shares held by them respectively, or

(b) if at the relevant date there are no "B" Ordinary Shares in issue then in distributing amongst the holders of Ordinary Shares by way of premium:-

(aa) where at the relevant date there are any "A" Ordinary Shares in issue following the conversion of the Preferred Ordinary Shares into "A" Ordinary Shares a sum equal to the prescribed amount calculated as provided in sub-article (2) of Article 6 hereof and

(bb) where at the relevant date the Preferred Ordinary Shares have not been thus converted such a sum as would have represented the prescribed amount calculated as aforesaid had they been converted on the relevant date and had any arrears or deficiency or accruals of the fixed cumulative dividend thereon been paid prior to the relevant date

and any such premium shall be distributed to the holders of Ordinary Shares in proportion to the amounts paid or credited as paid on such Shares held by them respectively

and subject as aforesaid the balance of such assets (if any) shall belong to and be distributed amongst the holders of the Preferred Ordinary Shares or the "A" Ordinary Shares (as the case may be) and the holders of Ordinary Shares (pari passu as if the same constituted one class of Shares) in proportion to the amounts paid or credited as paid on the Preferred Ordinary Shares or the "A" Ordinary Shares (as the case may be) and the Ordinary Shares held by them respectively.

For the purpose of this Article "the relevant date" means in the case of a winding up the date of the commencement of the winding up or, in the case of a reduction of capital, the date of the passing of the Resolution for such reduction.

6. (1)(A) The holders of the Preferred Ordinary Shares shall be entitled at any time to convert the whole but not a part only of the Preferred Ordinary Shares into "A" Ordinary Shares and the following provisions shall have effect:-

(i) the conversion shall be effected either by notice in writing signed by a holder or holders of the majority of the Preferred Ordinary Shares given to the Company or by an Ordinary Resolution passed at a separate meeting of the holders of the Preferred Ordinary Shares which shall be convened by the Directors forthwith upon the request in writing of any holder of such Shares.

(ii) the conversion shall take effect upon the date (hereinafter referred to as "the date of conversion") such notice is delivered or is deemed to be delivered to the Company or such Resolution is passed (as the case may be)

(B) If and in the event that application is made to any recognised Stock Exchange for permission to deal in and for quotation for the issued equity share capital of the Company on terms which have been approved by the holders of the Preferred Ordinary Shares (such approval not to be unreasonably withheld) the holders of the Preferred Ordinary Shares shall be deemed to have delivered to the Company on the day immediately preceding the day on which such permission is granted such a notice as is referred to in paragraph (A) of this sub-article

(C) The "A" Ordinary Shares resulting from the conversion shall:-

(i) rank for dividend and for the purposes of voting as provided in sub-article (5) of this Article and

(ii) rank for capital as provided in Article 5 hereof

(D) The "A" Ordinary Shares resulting from the conversion shall confer on the holders thereof the special rights conferred by sub-article (3) of this Article, but they shall not confer on the holders thereof the special rights conferred on the holders of Ordinary Shares or impose on the holders thereof the special obligations imposed on the holders of "B" Ordinary Shares by Sub-Article (2) and Sub-Article (3) respectively of this Article.

(2)(A) The Directors shall cause a General Meeting of the Company to be convened and held as soon as possible after the date of conversion for the purpose of:-

- (i) increasing the capital of the Company by such amount divided into such number of "B" Ordinary Shares of £1 each as may be requisite, and
- (ii) capitalising from the sums standing at the date of conversion to the credit of any reserve accounts or to the credit of profit and loss account the prescribed amount calculated as hereinafter provided and applying the amount so capitalised in paying up in full the unissued "B" Ordinary Shares to be allotted and distributed credited as fully paid to and amongst the holders immediately prior to the date of conversion of Ordinary Shares in the proportions in which they would have been entitled thereto if such capitalisation were being effected pursuant to Article 139 hereof the provisions of which Article shall, mutatis mutandis, apply

The prescribed amount for the purpose of this sub-article and of paragraph (B) (v) (b) of Article 5 hereof shall be calculated in manner following:-

From a sum equal to the total of the net amounts (after deduction or retention by the Company of any taxation) actually received or due to be received from the Company by the holders of the Preferred Ordinary Shares by way of dividends or other distributions declared or paid in respect of each £1 of Preferred Ordinary Share capital during the period from the date of issue of the Preferred Ordinary Shares to the date of conversion there shall be deducted a sum equal to the total of the net amounts (after deduction or retention by the Company of any taxation) actually received or due to be received from the Company by the holders of Ordinary Shares by way of dividends or other distributions declared or paid in respect of each £1 of Ordinary Share capital during the like period. The amount of the difference shall be multiplied by a number equal to the number of £s of Ordinary Share capital paid or credited as paid immediately prior to the date of conversion and the prescribed amount shall be a sum equal to the resultant sum taken to the nearest £ less a sum equal to the aggregate nominal amount of the Deferred Shares (if any) in issue by virtue of any capitalisation effected pursuant to sub-article (4) of Article 139 hereof

(B) The "B" Ordinary Shares resulting from the capitalisation shall:

- (i) rank for dividend and for the purposes of voting as provided in sub-article (5) of this Article and
- (ii) rank for capital as provided in Article 5 hereof

(C) The "B" Ordinary Shares resulting from the capitalisation shall impose on the holders thereof the special obligations imposed by sub-article (3) of this Article but shall not confer on the holders thereof the special rights thereby conferred on the holders of the "A" Ordinary Shares.

(3)(A) Subject to paragraph (B) of this sub-article upon the issue of any "B" Ordinary Shares pursuant to sub-article (2) of this Article each of the holders of the "A" Ordinary Shares shall have the right to be exercised by notice in writing signed by him or on his behalf and given to the Company within two months after the date of such issue (the word "purchaser" being hereinafter in this sub-article used to refer to a holder of "A" Ordinary Shares who has exercised such right and the word "purchasers" being construed accordingly) to purchase at par free from stamp from the holders as at the date of the giving of such notice of the "B" Ordinary Shares (including a purchaser who is such a holder) such number of the "B" Ordinary Shares as have been issued as the number of "A" Ordinary Shares held by such purchaser bears to the total of the number of Preferred Ordinary Shares and the number of Ordinary Shares in issue immediately prior to the date of conversion and in the event of such notice being given the following provisions shall have effect:-

- (i) the Company shall at the expiration of the aforesaid period of two months give notice in writing to the holders of the "B" Ordinary Shares (including a purchaser who is such a holder) requiring them to make available (in such proportions as they mutually agree, or failing notification in writing to the Company of such agreement within seven days of the giving by the Company of the last mentioned notice, then in the proportions in which they hold the "B" Ordinary Shares) the aggregate number of the "B" Ordinary Shares in respect of which the purchasers have exercised the right to purchase.
- (ii) the "B" Ordinary Shares in respect of which the right of purchase has been exercised by the purchasers shall be allocated to the purchasers (including a purchaser who is a holder of "B" Ordinary Shares) in the proportions in which they hold "A" Ordinary Shares or in such other proportions as they mutually agree and so that each of the

holders of the "B" Ordinary Shares shall against payment of the purchase money be bound to transfer such number of the "B" Ordinary Shares as is required to give effect to such allocation provided always that where a purchaser is bound as one of the holders of the "B" Ordinary Shares to make "B" Ordinary Shares available pursuant to this sub-article the same shall be retained by him towards satisfaction of his allocation to the intent that only the excess of the number of "B" Ordinary Shares so to be made available by him over the number of "B" Ordinary Shares allocated to him shall fall to be transferred by him and only the excess of the number of "B" Ordinary Shares allocated to him over the number of "B" Ordinary Shares so to be made available by him shall fall to be transferred to him

- (iii) completion of the transfers shall take place at the office on the fourteenth working day following the giving by the Company of the last mentioned notice
  - (iv) if any of the holders of the "B" Ordinary Shares after having become bound to transfer part of his holding to a purchaser makes default in transferring the same the Directors may authorise any person to complete on behalf of and as attorney for the holder of "B" Ordinary Shares in default any necessary transfer and may receive the purchase money on his behalf and upon such transfer being completed the Directors may register the same and may issue to the purchaser a certificate for the "B" Ordinary Shares the subject thereof and thereupon the purchaser shall become indefeasibly entitled thereto. The receipt of the Company for the purchase money shall be a good discharge to the purchaser and the Company shall hold the purchase money in trust for the holder of "B" Ordinary Shares in default
  - (v) if any of the holders of the "B" Ordinary Shares so elects he may require the purchaser to purchase at no additional cost to the purchaser Ordinary Shares instead of "B" Ordinary Shares
- (B) Within seven days of the giving by the Company of the notice referred to in paragraph(A)(i) of this sub-article a holder or holders of a majority of the "B" Ordinary Shares may by counter-notice in writing served on the Company request the Directors to cause a further General Meeting of the Company to be convened and held as soon as possible thereafter for the

purpose of further increasing the capital of the Company by such amount divided into such further number of "B" Ordinary Shares of £1 each as may be requisite and upon such increase to allot for subscription at par to the holders of "A" Ordinary Shares who would otherwise have purchased "B" Ordinary Shares such number of "B" Ordinary Shares as will result in the allottees holding such proportion as the total number of "B" Ordinary Shares in issue after such allotment as the proportion of "B" Ordinary Shares they would have held had no such allotment taken place and had they purchased "B" Ordinary Shares Provided that no General Meeting shall be held for such purposes without the prior consent or sanction of all the holders of "A" Ordinary Shares who would otherwise have purchased "B" Ordinary Shares given in accordance with the provisions of Article 9 hereof and if such consent or sanction is not given paragraph (A) of this sub-article shall be applicable as if no such counter-notice had been served.

- (4) In the event of the winding up of the Company the provisions of sub-article (1) sub-article (2) and sub-article (3) of this Article shall cease to have effect insofar as they have not already been implemented at the commencement of the winding up and the rights of the holders of the "A" Ordinary Shares and the "B" Ordinary Shares (if any) and the Ordinary Shares in issue at the date of such commencement shall be governed by the provisions of Article 5 hereof
- (5) The "A" Ordinary Shares and the "B" Ordinary Shares shall be converted into Ordinary Shares ranking pari passu in all respects with the Ordinary Shares previously in issue:-
  - (i) where there is a purchase by or allotment direct to the holders of the "A" Ordinary Shares of "B" Ordinary Shares from and after the date on which all the transfers of "B" Ordinary Shares have been registered or from and after the date on which such allotment takes place (as the case may be) or
  - (ii) where neither of such events occurs then from and after the expiration of the period stipulated in paragraph (A) (i) of sub-article (3) of this Article as the period during which the right of the holders of "A" Ordinary Shares to purchase "B" Ordinary Shares was exercisable

and pending such conversion the "A" Ordinary Shares and the "B" Ordinary Shares shall rank for dividend and for the purposes of voting pari passu with the Ordinary Shares previously in issue (as if the same constituted one class of Shares) and in particular shall (notwithstanding anything contained in any other of these Articles and notwithstanding the "B" Ordinary Shares will not



then have been in issue) rank for the full amount of all dividends becoming payable after the date of conversion (as defined in sub-article (1) of this Article) and without in the case of the "A" Ordinary Shares making any allowance for any dividends which may have been paid on the Preferred Ordinary Shares prior to that date

- (6) Notwithstanding anything contained in any other of these Articles the Directors shall not without the prior consent or sanction of the holders of the "A" Ordinary Shares given in accordance with the provisions of Article 9 hereof declare or pay any dividend on the "B" Ordinary Shares until after their conversion into Ordinary Shares pursuant to sub-article (5) of this Article.

7. Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares (which special rights shall not be varied except with such consent or sanction as is provided by Article 9 hereof), any Share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine.

8. Subject to the provisions of Section 58 of the 1948 Act any Preference Shares may, with the sanction of a Special Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.

9. Whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any class may be varied or abrogated, either while the Company is a going concern or during or in contemplating of a winding up, 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 meeting of the holders of the Shares of that class, but not otherwise. To every such separate Meeting all the provisions of these Articles relating to General Meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one third in nominal amount of the issued Shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum), and that the holders of Shares of the class shall on a poll have one vote in respect of every Share of the class held by them respectively. Provided that without prejudice to the generality of this Article:-

(A) the special rights attached to the Preference Shares shall be deemed to be varied by:-

(i) any reduction in the issued share capital of the Company;  
or

(ii) the sale of the undertaking of the Company or any substantial part thereof; or

(iii) the creation or issue by the Company of Shares ranking in any respect in priority to or pari passu with the Preference Shares; or

(iv) any alteration or relaxation of the restrictions on the powers of the Directors to borrow or secure the payment of money, give guarantees, create mortgages or charges or issue debentures contained in Article 90 hereof or any borrowing or other operation by the Company or any subsidiary of the Company which if done by the Directors would be a contravention of such restrictions; or

(v) the creation or issue of any debenture or debenture stock whether secured or unsecured or any loan or loan stock whether secured or unsecured as fully or partly paid on a capitalisation of profits or reserves; or

(vi) the issue by any subsidiary company of the Company otherwise than to the Company of any Shares with preferential rights as to dividend and/or capital; or

(vii) any application made by the Company for quotation for and permission to deal in any other class of Shares in the capital of the Company on a recognised Stock Exchange

(B) the special rights attached to the Preferred Ordinary Shares shall be deemed to be varied by:-

(i) any increase or alteration or variation or reduction in the authorised or issued share capital of the Company or any variation or abrogation of any of the rights attached to any class of Shares in the capital of the Company; or

(ii) the sale of the undertaking of the Company or any substantial part thereof or the sale by any subsidiary company of the Company (otherwise than to the Company or to another subsidiary not less than 99% of each class of the issued share capital of which is owned by the Company) of the whole or any substantial part of its undertaking; or

- (iii) any disposal or issue (otherwise than to the Company or to a subsidiary of the Company not less than 99% of each class of the issued share capital of which is owned by the Company) of any issued or unissued share capital of any of the subsidiaries of the Company other than a subsidiary the undertaking or assets or earnings of which do not constitute in the opinion of the Auditors to the Company a substantial part in value of the total undertaking, assets and earnings of the Company and its subsidiaries taken as a whole; or
- (iv) any alteration or relaxation of the restrictions on the powers of the Directors to borrow or secure the payment of money, give guarantees, or create mortgages or charges contained in Article 90 hereof; or
- (v) the application by way of capitalisation of profits or reserves of any sum in or towards paying up any debenture or debenture stock whether secured or unsecured; or
- (vi) any alteration of any of the provisions of Article 29 hereof.

10. The Company may exercise the powers of paying commissions conferred by Section 53 of the 1948 Act, 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 said Section and the rate of the commission shall not exceed the rate of 10% of the price at which the Shares in respect whereof the same is paid are issued or an amount equal to 10% of such price (as the case may be). Such commission may be satisfied by the payment of cash or, subject to these Articles, by the allotment of fully paid 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.

11. Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by or be compelled in any 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 (except only as by these Articles or by law otherwise provided or under an order of a court of competent jurisdiction) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

12. Every person whose name is entered as a Member in the Register shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one Certificate

for all his Shares or several Certificates each for one or more of his Shares upon payment of 12½p for every Certificate after the first or such less sum as the Directors shall from time to time determine. Every Certificate shall be under the Seal and shall specify the Shares to which it relates and the amount paid up thereon. Provided that in respect of a Share or Shares held jointly by several persons the Company shall not be bound to issue more than one Certificate, and delivery of a Certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.

13. If a Share Certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of 12½p or such less sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence as the Directors think fit.

14. The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Shares in the Company or in its holding company (if any), nor shall the Company make a loan for any purpose whatsoever on the security of its Shares or those of its holding company (if any), but nothing in this Article shall prohibit transactions mentioned in the proviso to Section 54(1) of the 1948 Act.

#### LIEN.

15. The Company shall have a first and paramount lien on every Share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share, and the Company shall also have a first and paramount lien on all Shares standing registered in the name of any person (whether he shall be the sole registered holder or one of two or more joint holders) for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a Share shall extend to all dividends payable thereon.

16. The Company may sell, in such manner as the Directors think fit, any Shares 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, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, 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

17. To give effect to any such sale the Directors may authorise some person to transfer the Shares sold to the purchaser thereof. The Purchaser shall be registered as the holder of the Shares the subject of 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.

18. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and 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 the sale.

#### CALLS ON SHARES.

19. The Directors may from time to time make calls upon the members 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 not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call, 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 as the Directors may determine.

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

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

22. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 10% per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

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, differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such a rate not exceeding (unless the Company in General Meeting shall otherwise direct) 5% per annum, as may be agreed upon between the Directors and the Member paying such sum in advance. No such sum paid in advance shall entitle the Member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such advance, become payable.

26. No Member shall be entitled to receive any dividend or to be present or to vote, either in person or by proxy, at any General Meeting, or upon a poll, or to be reckoned in a quorum while any call or other sum shall be due and payable to the Company in respect of any of the Shares held by him, whether he shall be the sole registered holder or one of two or more joint holders.

#### TRANSFER OF SHARES.

27. The instrument of transfer of any Share shall be executed in the case of a fully paid Share by or on behalf of the transferor and in the case of a partly paid Share by or on behalf of both the transferor and 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.

28. Subject to such of the restrictions of these Articles as may be applicable, any Member may transfer all or any of his Shares by instrument in writing in any usual or common form or any other form which the Directors may approve.

29. (1) The Directors may:-

- (i) in their absolute discretion and without assigning any reason therefor decline to register any transfer of Ordinary Shares
- (ii) decline to register any transfer of Preference Shares or Preferred Ordinary Shares but shall be bound in such event to disclose their reasons for so doing
- (iii) decline to register any transfer of any Shares where:-
  - (a) the Company has a lien on such Shares, or
  - (b) the registration of such transfer would cause the number of Members to exceed the number permitted by Article 3 hereof.

but paragraphs (i) and (ii) of this sub-article shall not apply to a transfer made pursuant to sub-article (2) of this Article.

(2) Subject to paragraph (iii) of sub-article (1) of this Article any Share may at any time be transferred:-

- (i) to any Member
- (ii) by a Member to his or her father or mother or to any lineal descendant of his or her father or mother or to his or her wife or husband or to the wife or husband or widow or widower of any such lineal descendant as aforesaid or to the trustees of any Settlement created by him or her for the benefit of any one or more persons with whom he or she is connected in manner aforesaid; and any Share standing in the names of the trustees of such a Settlement as is hereinbefore mentioned may be transferred by such trustees to a beneficiary thereunder being a person connected with the settlor in manner aforesaid; and any Share standing in the name of a deceased Member may be transferred by his or her legal personal representatives to a cestui que trust or specific legatee thereof who is connected with the deceased Member in manner aforesaid; and any Share standing in the name of a deceased Member may be transferred to or placed in the names of the executors or trustees of his or her Will; and any Share standing in the names of the trustees of the Will of a deceased Member or of such a Settlement as is hereinbefore mentioned may be transferred upon any change of such trustees to the trustees for the time being of the Will or Settlement (as the case may be).

30. The Directors may also decline to recognise any instrument of transfer unless:-

- (i) a fee of 12½p or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof;
- (ii) the instrument of transfer is accompanied by the Certificate of the Shares the subject thereof, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
- (iii) the instrument of transfer is in respect of only one class of Shares.

31. 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 together with (in the case of any refusal to register any transfer of Preference Shares or Preferred Ordinary Shares) their reasons for such refusal.

32. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

33. The Company shall be entitled to charge a fee not exceeding 12½p on the registration of a Probate, Letters of Administration, Certificate of Death or Marriage, Power of Attorney, Notice in Lieu of Distringas, or other instrument affecting the title to any Share.

#### TRANSMISSION OF SHARES.

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

35. 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 to the provisions of Article 36 hereof, elect



either to be registered himself as holder of the Share or to have some person nominated by him registered as the transferee thereof.

36. 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 completing in favour of that person a transfer of the Share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

37. A person becoming entitled to a share in consequence of the death or bankruptcy of the holder shall 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 Share, be entitled in respect of it to exercise any right conferred by membership in relation to Meetings of the Company.

#### FORFEITURE OF SHARES.

38. If a Member fails to pay any class or instalment of a call on 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 payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

39. 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 the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the Shares in respect of which the call was made will be liable to be forfeited.

40. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the 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 include all dividends declared in respect of the forfeited Shares, and not actually paid before the forfeiture.

41. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the holder of the Share, or to the person entitled to the Share by transmission, and an entry of the forfeiture, 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 to make such entry as aforesaid.

42. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or other disposition the forfeiture may be cancelled on such terms as the Directors think fit.

43. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the forfeited Shares, together with interest thereon at such rate not exceeding 10% per annum as the Directors think fit from the date of forfeiture until 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 forfeited Shares.

44. A statutory declaration in writing that the declarant is a Director or the Secretary, and that a Share has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. The Company may receive the consideration, if any, given for the Share on any sale or other disposition thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or otherwise disposed of and he shall thereupon 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, sale or disposal of the Share.

45. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### CONVERSION OF SHARES INTO STOCK.

46. Subject to the provisions of Article 9 hereof the Company may by Ordinary Resolution convert any paid up Shares into Stock, and convert any Stock into paid up Shares of any denomination.

47. The holders of Stock may transfer the same, or any part thereof, in the same manner, and subject to the same restrictions in these Articles contained 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.

48. The holders of Stock shall, according to the amount of Stock held by them, have the same rights, privileges and advantages as regards income, capital, voting and other matters as if they held the Shares from which the Stock arose, but no such privilege or advantage (except participation in the 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.

49. Such of these Articles as are applicable to paid up Shares shall apply to Stock, and the words "Share" and "Shareholder" herein shall include "Stock" and "Stockholder".

#### ALTERATION OF CAPITAL.

50. Subject to the provisions of Article 9 hereof the Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into Shares of such amount, as the Resolution shall prescribe.

51. All unissued Shares in the capital of the Company to be offered for subscription shall before being issued (other than where the issue is to be made pursuant to the provisions of paragraph (B) of sub-article (3) of Article 6 hereof be offered to the holders of Preferred Ordinary Shares and the holders of Ordinary Shares in proportion to the number of such Shares held by them respectively (pari passu as if the same constituted one class of Shares). The offer shall be made by notice in writing specifying the number of Shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after expiration of that time, or on receipt of any intimation from the person to whom the offer is made that he declines to accept the Shares offered, the Directors may with the approval of the Company in General Meeting dispose of those Shares in such manner as they think most beneficial to the Company. The Directors may with the like approval dispose of any unissued Shares which, (by reason of the ratio which the unissued Shares bear to Shares held by persons entitled to an offer of unissued Shares) cannot, in the opinion of the Directors, be conveniently offered under this Article.

52. Subject to the provisions of Article 9 hereof the Company may by Ordinary Resolution:-

- (i) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares;
- (ii) sub-divide its existing Shares, or any of them, into Shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 61(1)(d) of the 1948 Act;
- (iii) cancel any Shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person.

~~53. Subject to the provisions of Article 9 hereof the Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law.~~

*Altered by  
Special  
Resolution  
passed at  
EGM held  
23.12.82.*

#### GENERAL MEETINGS.

54. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year, and shall specify the Meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

55. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

56. 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 Section 132 of the 1948 Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members 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.

57. An Annual General Meeting and a Meeting called for the passing of a Special Resolution shall be called by twenty one days notice in writing at the least, 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 fourteen days notice in writing at the least. 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, the day and the hour of meeting and, in case of special business, the general nature of that business and 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;

Provided that a Meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed -

- (i) in the case of a meeting called as the Annual General Meeting by all the Members entitled to attend and vote thereat; and
- (ii) in the case of any other Meeting, by a majority in number of the Members having the right to attend and vote at the Meeting, being a majority together holding not less than 95% in nominal value of the Shares giving that right.

58. 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.

## PROCEEDINGS AT GENERAL MEETINGS.

59. 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, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Auditors.

60. 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, two Members holding Ordinary Shares present in person or by proxy shall be a quorum.

61. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting it shall be dissolved.

62. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting, or if there is no such Chairman or if he shall not be present within fifteen minutes after the time appointed for the holding of the Meeting or is unwilling to act the Directors present shall elect one of their number to be Chairman of the Meeting.

63. If at any Meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the Meeting, the Members present shall choose one of their number to be Chairman of the Meeting.

64. 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. When a Meeting is adjourned for fourteen days or more seven days notice at the least of the adjourned Meeting shall be given specifying the place, the day and the hour of the Meeting as in the case of an original Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

65. 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 -

- (i) By the Chairman, or
- (ii) by at least two Members present in person or by proxy; or
- (iii) 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
- (iv) 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 equal to not less than one tenth of the total sum paid 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. The demand for a poll may be withdrawn.

66. Except as provided in Article 68 hereof, if a poll is duly demanded it shall be taken in such manner and at such time (within fourteen days) and place as the Chairman directs, and the result of the poll shall be deemed to be the Resolution of the Meeting at which the poll was demanded. No notice need be given of a poll not taken immediately.

67. 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.

68. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the Meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

69. Subject to the provisions of the 1948 Act, 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 duly passed at a General Meeting duly convened and held.

#### VOTES OF MEMBERS.

70. (1) Subject to the rights and restrictions as to attending and voting at General Meetings attached to the Preference Shares by sub-article (2) of this Article and to the Preferred Ordinary Shares by sub-article (3) of this Article and to any rights or restrictions as to attending and voting at General Meetings for the time being attached to any other class or classes of Shares, on a show of hands every Member who, (being an individual) is present in person or (being a corporation) is present by a representative or proxy not being himself a Member, shall have one vote, and on a poll every Member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall have one vote for every £1 in nominal amount of Shares in the capital of the Company of which he is the holder

(2) The Preference Shares shall entitle the holders thereof to receive notice of all General Meetings but shall not entitle the holders thereof to attend or vote either in person or by proxy at any General Meeting by virtue or in respect of their holdings of Preference Shares unless:

(i) at the date of the notice or requisition convening the Meeting the fixed cumulative dividend on the Preference Shares or any part thereof payable in accordance with the provisions of Article 5 hereof is six months or more in arrear; or

(ii) the business of the Meeting includes the consideration of a Resolution for:-

(a) winding up the Company; or

(b) doing any act or thing for which the sanction or consent of the holders of the Preference Shares as a class is requisite under the provisions of Article 9 hereof; or

(c) altering or adding to the objects of the Company as expressed in Clause 3 of the Memorandum of Association of the Company

(3) The Preferred Ordinary Shares shall entitle the holders thereof to receive notice of all General Meetings but shall not entitle the holders thereof to attend or vote either in person or by proxy at any General Meeting by virtue or in respect of their holdings of Preferred Ordinary Shares unless:-

(i) at the date of the notice or requisition convening the Meeting the fixed cumulative dividend on the Preferred Ordinary Shares payable in accordance with the provisions of Article 5 hereof is six months or more in arrear; or

(ii) the business of the Meeting includes the consideration of a Resolution for winding up the Company

On any Resolution referred to in paragraph (ii) of this sub-article the holders of the Preferred Ordinary Shares shall upon a poll as a class have between them such number of additional votes as shall result in the number of votes exercisable by them exceeding by one vote one fourth of the total number of votes exercisable by all the Members in respect of such Resolution and in the event of there being more than one holder of Preferred Ordinary Shares each such holder shall have a rateable proportion (calculated in accordance with the number of Preferred Ordinary Shares held by him) of the number of votes exercisable by the holders of the Preferred



Ordinary Shares as a class and for the purpose of calculating the number of votes to which the holders of the Preferred Ordinary Shares either separately or as a class are entitled under this sub-article any fraction of a vote shall be treated as one vote.

71. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register.

72. A Member of unsound mind, or in respect of whom an Order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that Court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy.

73. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.

74. 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.

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

76. The instrument appointing a proxy shall be in writing 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. A proxy need not be a Member of the Company. Every notice convening a General Meeting shall state that a Member entitled to attend and vote thereat is entitled to appoint a proxy to attend and vote instead of him.

77. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or an office or notarially certified copy of that power or authority shall be deposited at the office or at such other place within the United Kingdom as is specified for that purpose in 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, not less than twenty four hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be

treated as valid. No instrument 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.

78. An instrument appointing a proxy shall be in the following form, or in any other common form:-

"  
GEEST HOLDINGS LIMITED  
"I/We of  
in the County of , being a  
Member/Members of the above-named Company, hereby  
appoint  
of  
or, failing him, of  
, as my/our proxy to vote for me/us  
on my/our behalf at the (Annual or Extraordinary, as the  
case may be) General Meeting of the Company to be held  
on the day of 19 , and at any  
adjournment thereof.

Signed this day of 19 ."

79. Where it is desired to afford Members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or in any other common form:-

"  
GEEST HOLDINGS LIMITED  
I/We of  
in the County of , being a  
Member/Members of the above-named Company, hereby  
appoint of  
or failing him  
of  
as my/our proxy to vote for me/us on my/our behalf at the  
(Annual or Extraordinary, as the case may be) General Meeting  
of the Company to be held on the day of  
, 19 , and at any adjournment thereof.

Signed this day of 19 "

This form is to be used \*in favour of the resolution  
against

Unless otherwise instructed, the proxy will vote as he thinks fit.

\*Strike out whichever is not desired. "

80. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

81. 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 such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the Meeting or adjourned Meeting at which the proxy is used.

#### CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS.

82. 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 as if it were an individual Member.

#### DIRECTORS.

\*

"At any time whilst Geest PLC is the registered holder of at least 51% of the ordinary share capital of the Company (as such expression is defined for the purposes of Section 526 of the Income and Corporation Taxes Act 1970) it shall be entitled at any time and from time to time by memorandum in writing to appoint and remove any director from office or to appoint any person as a director. Such removal or appointment shall (in the absence of any contrary provision in the relevant memorandum) take effect forthwith upon delivery of the memorandum to the registered office of the Company"

86. The remuneration of the Directors shall from time to time be determined by the Company in General Meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all 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 of the Company or in connection with the business of the Company.

87. Any Director 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 remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

88. A Director shall not be required to hold any share qualification but he shall be entitled to receive notice of and to attend and speak at any General Meeting of the Company.

89. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any other 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 by him as a Director or officer of, or from his interest in, such other company unless the Company in General Meeting otherwise direct. The Directors may exercise the voting power conferred by the Shares in any such other company held by the Company, or exercisable by them as Directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any Resolution appointing themselves or any one of them Directors or officers of such other company), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or be about to be, appointed a Director or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

#### BORROWING POWERS.

90. Subject as hereinafter provided the Directors may exercise all the powers of the Company (whether express or implied) of borrowing or securing the payment of money of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts and of mortgaging or charging the property assets and uncalled capital of the Company and issuing debentures ~~but so that:-~~

- (i) the Directors shall procure that the aggregate of the amounts for the time being remaining undischarged by virtue of any of the foregoing operations and of the amounts for the time being remaining undischarged by virtue of any like operations of any subsidiary company of the Company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force but excluding inter-company guarantees loans, mortgages and charges) shall not at any time without the previous consent or sanction of the holders of both the Preference Shares and the Preferred Ordinary Shares given in accordance with the provisions of Article 9 hereof exceed a

sum equal to twice the aggregate of the nominal amount of the share capital of the Company for the time being issued and paid or credited as paid and the amounts for the time being standing to the credit of the capital and revenue reserves of the Company and of all its subsidiaries (but excluding any amounts attributable to goodwill and minority interests any amounts set aside for future taxation and any amounts arising from any writing up of the book values of any capital assets) all as shown by the latest audited consolidated Balance Sheet of the Company and its subsidiaries but adjusted as may be necessary to take account of any variation in such share capital and capital reserves since the date to which such Balance Sheet was made up.

- (ii) no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being temporarily exceeded or to the borrowing of any sum of money secured by a mortgage or charge on any property or assets acquired by the Company or any of its subsidiaries at the time of such acquisition so long as such mortgage or charge was not created in contemplation of or in connection with such acquisition by the Company or any of its subsidiaries and so long as the amount borrowed and so secured shall not exceed the amount outstanding at the date of such acquisition.
- (iii) no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded.
- (iv) except with the previous consent or sanction of the holders of the Preferred Ordinary Shares given in accordance with the provisions of Article 9 hereof no mortgage or charge shall be created after the date of the adoption of these Articles on any part of the undertaking, property or assets of the Company or any of its subsidiaries except;
  - (a) for the purpose of securing moneys borrowed from bankers of the Company or its subsidiaries in the ordinary course of business with interest thereon and bank charges

- (b) mortgages or charges on ships for the purpose of securing moneys borrowed from any source in connection with the financing of ships owned or to be purchased by the Company or any of its subsidiaries.

#### POWERS AND DUTIES OF DIRECTORS.

91. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Statutes or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any provisions of these Articles, to the provisions of the Statutes, and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Director which would have been valid if that regulation had not been made.

92. 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 as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

93. The Company may exercise the powers conferred by Section 35 of the 1948 Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

94. The Company may exercise the powers conferred by Sections 119 to 123 (both inclusive) of the 1948 Act with regard to the keeping of a dominion register, and the Directors may (subject to the provisions of those Sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

95(1) Subject to the provisions of Section 199 of the 1948 Act a Director may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. A Director shall also be capable of voting in respect of any such contract or arrangement where he has previously disclosed his interest to the Company or in respect of his appointment to any office or place of profit under the Company or of the arrangement of the terms thereof and may be counted in the quorum at any Meeting

at which any such matter is considered.

- (2) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

96. 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 by Resolution determine.

97. The Directors shall cause Minutes to be made in books provided for the purpose:-

- (i) of all appointments of officers made by the Directors;
- (ii) of the names of the Directors present at each Meeting of the Directors and of any Committee of the Directors;
- (iii) of all Resolutions and proceedings at all Meetings of the Company, and of the Directors, and of Committees of Directors;

and any such Minute of such a Meeting if purporting to be signed by the Chairman thereof, or by the Chairman of the next succeeding Meeting of the same body, shall be sufficient evidence without any further proof of the facts therein stated.

98. The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation schemes or funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any subsidiary company of the Company or of any company which is allied to or associated with the Company or with any of its subsidiaries, or who are or were at any time Directors or officers of the Company or of any of its subsidiaries or of any such other company as aforesaid, and hold or have at any time held any salaried employment or office in the Company or in any of its subsidiaries or in any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any of its subsidiaries or of any such other company as aforesaid,

and make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for any charitable or benevolent objects or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid, either alone or in conjunction with any of its subsidiaries or any such other company as aforesaid. Subject always, if any relevant legislation so requires, to particulars with respect to the proposed payment being disclosed to the Members and to the proposal being approved by the Company in General Meeting, any Director who holds or has held any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

#### DISQUALIFICATION OF DIRECTORS.

99. The office of Director shall be vacated if the Director:-
- (i) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (ii) becomes prohibited from being a Director by reason of any Order made under Section 188 of the 1948 Act; or
  - (iii) becomes of unsound mind; or
  - (iv) resigns his office by notice in writing to the Company; or
  - (v) absents himself from the Meetings of the Directors for a continuous period of six months without special leave of absence from the Directors, and they resolve that his office be vacated; or
  - (vi) is removed from office by a Resolution duly passed pursuant to Section 184 of the 1948 Act.

#### ROTATION OF DIRECTORS.

100. At the first Annual General Meeting of the Company all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year 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.

101. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.



102. A retiring Director shall be eligible for re-election.

103. The Company at the Meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall if willing to continue in office be deemed to have been re-elected, unless at such Meeting it is expressly resolved not to fill such vacated office or unless a Resolution for the re-election of such Director shall have been put to the Meeting and lost.

104. 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 three 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 a Member duly qualified to attend and vote at the Meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by that person of his willingness to be elected.

105. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.

106. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with 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.

107. The Company may by Ordinary Resolution, of which special notice has been given in accordance with Section 142 of the 1948 Act, remove any Director before the expiration of his period of office 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.

108. The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under Article 107 hereof, and without prejudice to the powers of the Directors under Article 106 hereof the Company may by Ordinary Resolution 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.

~~100.~~

~~109.~~ The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any Meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman of the Meeting 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. It shall not be necessary to give notice of a Meeting of Directors to any Director for the time being absent from the United Kingdom.

~~101.~~

~~110.~~ The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two. For the purposes of this Article an alternate appointed by a Director shall be reckoned in a quorum at a Meeting at which the Director appointing him is not present.

~~102.~~

~~111.~~ The continuing Directors (or the sole remaining Director) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by 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.

~~103.~~

~~112.~~ 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 is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the Meeting.

~~104.~~

~~113.~~ 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.

~~105.~~

~~114.~~ A Committee may elect a Chairman of its Meetings; if no such Chairman is elected, or if at any Meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Members of the Committee present may choose one of their number to be Chairman of the Meeting.

<sup>106.</sup>  
~~N5.~~ A Committee may meet and adjourn as it thinks proper. Questions arising at any Meeting shall be determined by a majority of the votes of the Members of the Committee present, and in the case of an equality of votes the Chairman shall have a second or casting vote.

<sup>107.</sup>  
~~N6.~~ All acts done by any Meeting of the Directors or of a Committee of 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 disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and had been entitled to be a Director.

<sup>108.</sup>  
~~N7.~~ A Resolution in writing, signed by all the Directors for the time being entitled to receive notice of a Meeting of the Directors (including any alternate Director if entitled) shall be as valid and effectual as if it had been passed at a Meeting of the Directors duly convened and held.

#### ALTERNATE DIRECTORS.

<sup>109.</sup>  
~~N8.~~ (1) Any Director may from time to time and at any time appoint any person being an officer or employee of the Company or of any subsidiary company of the Company and who is approved by the other Directors to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office. An alternate Director so appointed shall not be entitled to receive any remuneration from the Company.

(2) An alternate Director shall be entitled upon giving to the Company an address in England at which notices may be served upon him to receive notices of all Meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of such appointor. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director.

(3) All appointments and removals of alternate Directors under this Article shall be effected by writing under the hand of the Director making or revoking such appointment and left at the office. Every such alternate Director shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.

## MANAGING DIRECTOR.

~~110.~~

~~119.~~ The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he cease from any cause to be a Director.

~~111.~~

~~120.~~ A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from his office.

~~112.~~

~~121.~~ The Directors may entrust to and confer upon a Managing 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.

## SECRETARY.

~~113.~~

~~122.~~ 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 so appointed may be removed by them. Where there is no Secretary capable of acting the Directors may appoint an assistant or deputy Secretary or any other officer of the Company to perform the duties of Secretary.

~~114.~~

~~123.~~ A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

## THE SEAL.

~~115.~~

~~124.~~ The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be counter-signed by the Secretary or by a second Director or by some other person appointed by the Directors for that purpose.

## DIVIDENDS AND RESERVE

<sup>116</sup>  
125. The Company in General Meeting may declare dividends, but except for the cumulative preferential dividends payable in respect of the Preference Shares and the Preferred Ordinary Shares no dividend shall exceed the amount recommended by the Directors.

<sup>117</sup>  
126. The Directors may from time to time pay to the Members such interim dividends in accordance with the provisions of Article 5 hereof as appear to the Directors to be justified by the profits of the Company.

<sup>118</sup>  
127. No dividend shall be paid otherwise than out of profits.

<sup>119</sup>  
128. The Directors may, before recommending any dividend, set aside out of the profits 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 (other than the Shares of the Company or of its holding company (if any)) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

<sup>120</sup>  
129. Except as provided in these Articles all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any further Share is issued on terms provided that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.

<sup>121</sup>  
130. The Directors may deduct from any dividend 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 the Shares of the Company.

<sup>122</sup>  
131. Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such Resolution, and where any 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.

<sup>133</sup>  
~~132~~. Any dividend, interest or other moneys payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the Shares held by them as joint holders.

<sup>134</sup>  
~~133~~. No dividend or other moneys payable on or in respect of a Share shall bear interest against the Company.

#### ACCOUNTS.

<sup>135</sup>  
~~134~~. The Directors shall cause proper books of account to be kept with respect to:-

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (ii) all sales and purchases of goods by the Company; and
- (iii) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

<sup>136</sup>  
~~135~~. The books of account shall be kept at the office or, subject to Section 147(3) of the 1948 Act, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

<sup>137</sup>  
~~136~~. 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 Accounts and books 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, and no Member (not being a Director) shall be entitled to require or receive any information

concerning the business, trading or customers of the Company.

~~128.~~

~~127.~~ The Directors shall from time to time in accordance with 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 required by the Statutes.

~~129.~~

~~128.~~ A 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 shall, not less than twenty one days before the date of the Meeting, be sent to every Member of and every holder of debentures of the Company and to every person registered under Article 36 hereof. Provided that 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.

#### CAPITALISATION OF PROFITS

~~130.~~

~~129~~(1) The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the sums for the time being standing to the credit of any of its reserve accounts or to the credit of its Profit and Loss Account or otherwise available for distribution, and accordingly that such sum be set free for distribution (subject to sub-article (2) and sub-article (3) of this Article) amongst the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares in proportion to the amounts for the time being paid or credited as paid on the Preferred Ordinary Shares and the Ordinary Shares held by them respectively on condition that the same be not paid in cash but be applied (subject to the provisions of Article 9 hereof) either in or towards paying up any amounts for the time being unpaid on any Shares held by such Members respectively or paying up in full unissued Shares or debentures to be allotted and distributed credited as fully paid to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such Resolution.

(2) Where the capitalisation is being effected pursuant to sub-article (2) of Article 6 hereof sub-article (1) of this Article shall be read and construed as if the prescribed amount is to be set free for distribution amongst the holders of Ordinary Shares only (as in sub-article (2) of Article 6 hereof provided)

- (3) Where at the date of any other capitalisation the Preferred Ordinary Shares have not been converted into "A" Ordinary Shares such part of the sum to be capitalised as would have represented the prescribed amount (calculated as provided in sub-article (2) of Article 6 hereof) had they been thus converted on that date is first to be set free for distribution amongst the holders of Ordinary Shares on the basis stipulated in sub-article (4) of this Article to the intent that only the excess of the sum to be capitalised over the part thereof to be thus set free for distribution amongst the holders of Ordinary Shares is to be set free for distribution amongst the holders of the Preferred Ordinary Shares and the holders of Ordinary Shares in accordance with sub-article (1) of this Article.
- (4) (A) If on any capitalisation the provisions of sub-article (3) of this Article are applicable the part of the sum to be capitalised which is first to be set free for distribution amongst the holders of Ordinary Shares shall be applied in paying up in full Deferred Shares of £1 each.
- (B) The Deferred Shares resulting from any such capitalisation shall rank for capital as provided in Article 5 hereof but shall not entitle the holders thereof to any rights as regards income nor entitle the holders thereof to receive notice of or to attend or vote either in person or by proxy at any General Meeting by virtue or in respect of their holdings of Deferred Shares or to any other rights whatsoever except as specified in this sub-article.
- (C) If the Preferred Ordinary Shares are converted into "A" Ordinary Shares pursuant to sub-article (1) of Article 6 hereof and prior to the date of conversion there has been an issue of Deferred Shares pursuant to this Article on the date of conversion the Deferred Shares shall be converted into "B" Ordinary Shares (hereinafter in this sub-article referred to as "the converted "B" Ordinary Shares") but so that the holders of "A" Ordinary Shares shall then have the same special rights in relation to the converted "B" Ordinary Shares as are conferred upon them in relation to "B" Ordinary Shares issued pursuant to sub-article (2) of Article 6 hereof and the provisions of sub-article (3), sub-article (4), sub-article (5) and sub-article (6) of Article 6 hereof shall, mutatis mutandis, apply as if the converted "B" Ordinary Shares had been issued pursuant to sub-article (2) of Article 6 hereof.



- (5) For the purpose of this Article a share premium account and a capital redemption reserve fund may only be applied in the paying up of unissued Shares to be issued as fully paid bonus Shares.

<sup>131.</sup>

<sup>140.</sup> Whenever such a Resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby, and all allotments and issues of fully paid Shares or debentures (if any), and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of Shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further Shares or any debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf by the application thereto of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing Shares, and any agreement made under such authority shall be effective and binding on all such Members.

#### AUDIT.

<sup>132.</sup>

<sup>141.</sup> Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 161 of the 1948 Act and Sections 13 and 14 of the 1967 Act.

#### NOTICES.

<sup>133.</sup>

<sup>142.</sup> 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, or (if he has no registered 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. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected in the case of a notice of a Meeting at the expiration of twenty four hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

<sup>134.</sup>

<sup>143.</sup> 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.

<sup>135</sup>  
~~144~~. 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 pre-paid 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.

<sup>136</sup>  
~~145~~. Notice of every General Meeting shall be given in any manner hereinbefore authorised to -

- (i) 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, and every Director (whether or not a Member)
- (ii) every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member where the Member but for his death or bankruptcy would be entitled to receive notice of the Meeting; and
- (iii) the Auditor for the time being of the Company

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

#### WINDING UP.

<sup>137</sup>  
~~146~~. If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the Company and any other consent or sanction required by the 1948 Act or these Articles, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of the property of the same kind or not) and may, for such purposes 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 fit, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.

## INDEMNITY.

138.

147. Every Director, Managing Director, Agent, Auditor, Secretary or other officer for the time being of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted and in connection with any application under Section 448 of the 1948 Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 305 of the 1948 Act.