

**MEMORANDUM
OF ASSOCIATION**

**The Companies Acts 1948 - 1983
Company Limited by Shares**

of

ANS plc

1. **The name of the Company is ANS plc**
2. **The Company is to be a public company**
3. **The Registered Office of the Company will be situate in England.**
4. **The objects for which the Company is established are:-**
 - (A) (i) **To carry on business as proprietors of Nursing Homes, Rest Homes, Old People's Homes, Sanatoria, Convalescents Homes, Hospitals, and all other institutions involving the provision of medical or general treatment, care an supervision for the elderly, retired, sick, disabled, infirm or mentally or physically handicapped.**
 - (ii) **To carry on business as dealers in property and estates, lessees and lessors, estate developers, business transfer agents, auctionners, valuers, surveyors, and insurance brokers, mortgage brokers, bailiffs, bailees, managing agents, development agents and estate agents; to purchase, take on lease, or in exchange or otherwise acquire any lands and buildings in England or elsewhere and any estate or interest in any rights connected with any such lands or buildings, to develop and turn to account any land acquired by or in which the Company is interested; to acquire by purchase, lease, concession, leases, underleases, rights, privileges, stocks, shares and debentures in public or private companies, corporate or unincorporated for the purposes of investment and with a view to receiving the income therefrom.**
 - (iii) **To carry on within and without the United Kingdom the business of exporters, importers, manufacturers, agents, brokers, general merchants and dealers, both wholesale and retail in commodities of every description and all commercial goods, manufactured goods and all goods for personal and household use and consumption,**

ornament, recreation and amusement, and generally in all raw materials, manufactured goods, materials, provisions and general produce, and also the business of storage contractors, wharfingers, carriers, shipping and forwarding agents, warehousemen and storekeepers; and to carry on any other business which is calculated directly or indirectly to enhance the value of any of the Company's business, property, rights or assets.

(iv) To carry on the business of financial consultants, financiers and industrial bankers, capitalists, financial agents and advisors for commodities, goods, wares, vehicles, apparatus, machinery and articles of every description and in connection therewith or otherwise to loan and advance money to and to purchase accounts on behalf of such persons, firms or companies, concerned in any way whatever in the sale or purchase in manner aforesaid of the beforementioned articles or goods; to carry on the business of financiers, financial agents, bill discounters, company promoters, underwriters, and dealers in stocks, shares, loans, annuities and other securities, mortgage brokers and insurance agents.

- (b) To carry on any other trade or business which can, in the opinion of the Board of Directors, be advantageously carried on by the Company.
- (C) To acquire by purchase, lease, exchange, hire or otherwise, hold for any estate or interest, any land, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business.
- (D) To erect, alter or maintain any buildings, plant and machinery necessary or convenient for the Company's business and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- (E) To acquire by subscription or otherwise and hold, sell, deal with or dispose of any Shares, Stock, Debentures, Debenture Stocks, or other Securities of any kind whatsoever, guaranteed by any Company constituted or carrying on business in any part of the world and Debentures, Debenture Stock and other securities of any kind guaranteed by any Government or Authority, Municipal, Local or otherwise, whether at home or abroad, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by the ownership thereof.
- (F) To borrow or receive money on deposit either without security or secured by debentures, debenture stock

(perpetual or terminable), mortgage or other security charged on the undertaking or on all or any of the assets of the Company including uncalled capital, and generally to act as bankers.

- (G) To guarantee support and/or secure either with or without consideration the payment of any debentures, debenture stock, bonds, mortgages, charges, obligations, interest, dividends, securities, monies or shares or the performance of contracts or engagements of any company or person and in particular (but without prejudice to the generality of the foregoing) of any company which is, for the time being, the company's holding company as defined by Section 154 of the Companies Act 1948 or another subsidiary, as defined by the said section of the company's holding company or otherwise associated with the company in business and to give indemnities and guarantees of all kinds and by way of security as aforesaid either with or without consideration to mortgage and charge the undertaking and all or any of the real and personal property and assets present or future, to issue debentures and debenture stock and collateral or further to secure any securities of the company by a Trust Deed or other assurance and to enter into partnership or any joint purse arrangement with any person, persons, firm or company.
- (H) To lend money with or without security, and to invest money of the company upon such terms as the Company may approve, and to guarantee the dividends, interest and capital of the shares, stocks, or securities of any company of or in which this company is a member or is otherwise interested, and generally as the Directors think fit.
- (I) To apply for, purchase or otherwise acquire and hold or use any patents, licences, concessions, copyrights and the like, conferring any right to use or publish any secret or other information and to use, exercise, develop or grant licences in respect of the property, rights, information so acquired.
- (J) To take part in the formation, management, supervision or control of the business or operation of any Company or undertaking and for that purpose to appoint and remunerate any Directors, Accountants, Consultants, experts or agents.
- (K) To employ experts, consultants and valuers to investigate and examine into the condition, prospects, value, character, and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- (L) To establish or promote or concur in establishing or promoting any other Company whose objects shall include

the acquisition or taking over of all or any of the assets or liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or the interests of this Company and to acquire, hold, dispose of shares, stocks, or securities issued by or any other obligations of any such company.

- (M) To draw, accept and negotiate promissory notes, bills of exchange, and other negotiable instruments.
- (N) To invest and deal with the monies of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the company may approve.
- (O) To pay for any property or rights acquired by the Company either in cash or fully or partly paid up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (P) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares or stock of any company or corporation, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgages or other securities of any company or corporation or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (Q) To enter into arrangements for joint working in business or amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit this Company.
- (R) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of property suitable for the purposes of the Company.

- (S) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licenses, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (T) To provide for the welfare of persons employed or formerly employed by the Company and to grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependents of such persons and to establish and maintain or concur in maintaining trusts, funds or schemes, (whether contributory or non-contributory), with a view to providing pensions or other funds for any such persons as aforesaid or their dependents.
- (U) To subscribe to or otherwise aid the establishment and support of, any schools and any educational, scientific, literary, religious or charitable institutions or trade societies, whether such institutions or societies be solely connected with the business carried on by the Company or its predecessors in business or not, and to institute and maintain any club or other establishment.
- (V) To distribute in specie assets of the Company properly distributable amongst the members, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (W) To do all or any of the things hereinbefore authorised, either alone or in conjunction with others, or as factors, trustees, or agents for others, or by or through factors, trustees of agents.
- (X) To do all such other things as are incidental to or which the Company may think conducive with the above objects or any of them.

The objects set forth in any sub-clause of this clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the name of the company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

5. The liability of the members is limited.

6. The Share Capital of the Company is £2,250,000 divided in to 22,500,000 Ordinary Shares of 10p each.*

* On 10 February 1984 the share capital of the Company was increased from £1,000 to £50,000 by the creation of 49,000 Ordinary Shares of £1 each.

On 29 February 1984 the share capital of the Company was increased from £50,000 to £100,000 by the creation of 50,000 Ordinary Shares of £1 each.

On 7 January 1988 the share capital of the Company was increased from £100,000 to £700,000 by the division of existing shares into 1,000,000 shares of 10p each and the creation of 6,000,000 Ordinary Shares of 10p each.

On 20 February 1992 the share capital of the Company was increased from £700,000 to £1,400,000 by the creation of 7,000,000 Ordinary Shares of 10p each.

On 27 June 1994 the share capital of the Company was increased from £1,400,000 to £2,250,000 by the creation of 8,500,000 Ordinary Shares of 10p 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 description
of Subscribers

Number of Shares taken
by each Subscriber

STANLEY HAROLD DAVIS
124-128 City Road
London EC1V 2NJ

ONE

Company Director

ALAN RUTLAND
124-128 City Road
London EC1V 2NJ

ONE

Office Manager

DATED this 5th day of May 1981

Witness to the above signatures:-

Shaun O'Connor
124-128 City Road
London EC1V 2NJ

Registration Manager

THE COMPANIES ACT 19

COMPANY LIMITED BY S

ANS plc

ARTICLES OF ASSOCIATION

to be signed & dated
(Adopted by Special Resolution passed 17 May 2001)

TABLE A

1. The regulations contained in Table A in the First Schedule to the Companies Act, 1948 shall not apply to the Company, but the following shall be the regulations of the Company.

INTERPRETATION

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

The words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof.

"the Act"

The Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

"Articles"

These Articles as now framed or as from time to time altered.

"Board"

The Board of Directors of the Company or the directors present at a duly convened meeting of directors at which a quorum is present or, as the context may require, the directors of the Company acting by a duly constituted and empowered committee thereof.

"clear days"

In relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"Executive Director"	A director of the Company appointed to be the holder of executive office pursuant to the provisions of these Articles.
"Group"	The Company and its subsidiaries.
"executed"	Any mode of execution.
"office"	The registered office of the Company.
"paid"	Paid or credited as paid.
"holder"	In relation to shares, the member whose name is entered in the register of members as the holder of the shares.
"Register"	The Register of Members of the Company.
"Seal"	The common seal of the Company.
"the Statutes"	The Act and every other enactment with statutory force concerning companies and affecting the Company.

"Securities Seal" The seal kept by the Company pursuant to the Act.

"Secretary" The secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a temporary, joint, assistant or deputy secretary.

"United Kingdom" Great Britain and Northern Ireland.

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

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include any partnership, combination or other association or body of persons whether corporate or unincorporate.

Expressions relating to writing shall be construed as reference to typewriting, printing, lithography, photography, telex, telecopy and other modes of representing and reproducing words in a visible form.

3. (1) Reference in these Articles to any provision of the Act shall if not inconsistent with the subject or context be construed as a reference to such provision as modified by any enactment for the time being in force and to any corresponding or substituted provisions of any enactment amending, consolidating or replacing the Act.
- (2) Subject as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context bear the same meaning in these Articles.
4. Where for any purpose an Ordinary Resolution of the Company is required, a Special or Extraordinary Resolution shall also be effective and where for any purpose an Extraordinary Resolution is required a Special Resolution shall also be effective.

SHARE CAPITAL

5. (A) The share capital of the Company at the date of adoption of these Articles is £700,000 divided into 7,000,000 ordinary shares of 10 pence each.
- (B) The authorities conferred by (D) of this Article 5 are (without prejudice to any such previous exercise) in substitution for and to the exclusion of and in revocation of all and any previous authority conferred

upon the Board pursuant to Section 95 of the Act to the extent that the same has not been exercised to allot and otherwise deal with shares in the capital of the Company.

(C) During the period of five years from the date of the adoption of these Articles the Board is hereby unconditionally authorised for the purposes of Section 80 of the Act generally to allot relevant securities (within the meaning of the said Section 80) in the capital of the Company up to an aggregate amount of £627,013. Subject thereto and to the provisions of the Articles and the Act the Board may allot grant options over or otherwise dispose of the shares of the Company to such persons at such times and for such consideration and generally upon such terms as the Board may determine, and may further make any offer or agreement which would or might require relevant securities to be allotted after such authority has expired and in pursuance of such offer or agreement to allot relevant securities notwithstanding that any such authority (or any renewal or replacement thereof) shall have expired.

(D) The Board is hereby unconditionally authorised pursuant to Section 95 of the Act to allot (within the meaning of Section 94(3) of the Act) at any time and from time to time equity securities (as defined in Section 94 of the Act) pursuant to the authority conferred by Article 5(C) hereof as if the provisions of the Section

89(1) of the Act did not apply to any such allotment
PROVIDED HOWEVER THAT the authority of the Board
hereunder shall be limited:-

(i) to the allotment of equity securities (including without limitation the power to allot and sell for the benefit of the Company equity securities representing fractional entitlements) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be having regard to such exclusions as the directors may deem necessary to deal with problems arising in respect of any territory, or the requirements of any recognised body or any other stock exchange, or in connection with fractional entitlements or otherwise) to the respective numbers of ordinary shares held by them;

(ii) subject to sub-paragraph (iii) hereof to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value not exceeding £17,500 being $2\frac{1}{4}\%$ of the authorised ordinary share capital of the Company as at the time of the adoption of this Article;

(iii) in the case of the issue of equity securities for cash (otherwise than by way of rights issue), the authority of the Board hereunder shall be for a period of fifteen months only from and including the date of adoption of this Article or, if less, the period commencing on the date of the adoption of this Article and expiring on the date of the Company's first annual general meeting following such adoption, unless (in either case) renewed extended or granted by a special resolution of the Company in each case for a period not exceeding fifteen months but notwithstanding that the power granted in this Article or such special resolution shall have expired, the Board may allot equity securities in pursuance of an offer or agreement previously made by the Company, which would or might require equity securities to be allotted after such expiry.

6. Without prejudice to any rights or privileges previously conferred on the holders of any shares or class of shares (and subject in particular to Article 10) any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution determine.

7. Subject to the provisions of the Act and these Articles any shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by Ordinary Resolution determine, but so that the powers conferred by this Article shall be without prejudice to any rights or privileges previously conferred on the holders of any shares or class of shares and shall be subject in particular to the provisions of these Articles concerning modification of rights.
8. The Company may exercise the powers of paying commissions conferred by the Act, provided that the rate or amount of the commission paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the Act and that such commission shall not exceed the limit imposed by the Act. Subject to the Act such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
9. Except as ordered by a Court of competent jurisdiction as by law or by these Articles otherwise required, no person shall be recognised by the Company as holding any

share upon any trust and the Company shall not be bound by or 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 any share except an absolute right to the entirety thereof in the registered holder.

MODIFICATION OF RIGHTS

10. Subject to the provisions of the Act and as otherwise provided in the Articles all or any of the rights, privileges, limitations and restrictions for the time being attached to any class of shares in the capital of the Company may be varied or abrogated with the consent in writing of the holders of not less than 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 such shares, but not otherwise. To every such separate meeting all the provisions of these presents relating to general meetings and to the proceedings and voting thereat shall apply mutatis mutandis except that at any such separate meeting the necessary quorum shall be two persons at least holding or representing by proxy not less than one third of the issued shares of that class (but so that if any such separate meeting is adjourned and a quorum as above defined is not present at the adjourned separate meeting then one person holding shares of that class and present

in person or by proxy at such adjourned separate meeting shall constitute a quorum thereat), and that any holder of shares of that class present in person or by proxy may demand a poll.

11. The rights and privileges attached to any class of shares shall not, unless otherwise provided by the conditions of issue of such shares, be deemed to be varied or abrogated by the creation or issue of further shares ranking pari passu therewith.

SHARE CERTIFICATES

12. Every person whose name is entered as a member in the Register, other than a stock exchange nominee within the meaning of section 185 of the Act, 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 or the circumstances of the transfer shall admit) one certificate for all his shares of any one class, or several certificates each for one or more of his shares of such class upon payment of the reasonable out of pocket expenses of the Company. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. Where a member has transferred part of the shares comprised in his holding

he shall be entitled to a certificate for the balance without charge.

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

14. All forms of certificate for shares or debentures (except where the instrument constituting any debenture provide to the contrary) shall be issued under the Seal or the Securities Seal, and in the latter case such certificates need not be signed or countersigned by any person.

LIEN

15. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company, and that

whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person whether a member of the Company or not. The Company's lien on a share shall extend to all dividends and other moneys payable thereon or in respect thereof, but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

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

17. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable

as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. To give effect to any such sale the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of the purchaser thereof. The transferee shall be entered in the register as the holder of the shares and shall not be bound to see to the application of the consideration, if any, nor shall the title of the transferee to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

CALLS ON SHARES

18. Subject to the terms of allotment, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
19. A call may be made payable by instalments.

20. A call may before receipt by the Company of any sum due thereunder be revoked or postponed, in whole or in part, or otherwise as the Board may determine.
21. Save as provided in Article 24 a call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
23. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call, or if no rate is fixed, at the appropriate rate (as defined by the Act) but the Board may waive payment of the interest wholly or in part.
24. Any sum, which by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same became payable and if it is not paid all the relevant provisions of the Articles

interest and expenses which may have accrued. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which and the place where payment is to be made, and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

28. If the notice is not complied with any share in respect of which it was given may at any time thereafter before payment required by the notice has been made, be forfeited by a resolution of the Board to such effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not paid before the forfeiture.

29. Subject to the provisions of the Act, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board may determine either to the person who was before the forfeiture the holder or to any other person, but at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. Where for the purpose of its disposal a forfeited share is to be transferred to any person the Board may receive the consideration (if any) given for the share on the sale or other disposition and may authorise some person

shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

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

26. The Board may, if it thinks fit, receive from any member who advances the same all or any part of the monies uncalled and unpaid upon any shares held by him, and may pay upon all or any of the moneys so advanced (until the same would but for such advance become presently payable) interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) the appropriate rate (as defined in the Act) as may be agreed upon between the Board and such member. Any such payment in advance shall not entitle the member concerned to participate in respect of the amount of such payment in any dividend declared or paid on such shares.

FORFEITURE OF SHARES

27. If a call or any instalment remains unpaid in whole or in part after it has become due and payable the Board may, at any time thereafter during the time such sum remains unpaid, give to the person from whom it is due notice requiring payment of the amount unpaid together with any

to execute an instrument of transfer of the share to that person.

30. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment, but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
31. The Board may accept the surrender of any share which it is in a position to forfeit upon such terms and conditions as may be agreed, and, in such case, references herein to forfeiture shall include surrender.
32. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share,

and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

33. The instrument of transfer of a share may be in the usual ~~common form~~ or in any other ~~form~~ which the Board may approve and shall be executed by or on behalf of the transferee. 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.
34. The Board may refuse to register the transfer of a share which is not fully paid to a person of whom it does not approve, and it may refuse to register the transfer of any share on which the Company has a lien. It may also refuse to register a transfer unless:
- (a) it is lodged at the office or at such other place as the Board may appoint, properly stamped, and is accompanied by the certificate for the shares to which it relates and such other evidence as the

Board may reasonably require to show the right of the transferor to make the transfer,

(b) it is in respect of only one class of shares, and

(c) it is in favour of not more than four transferees.

35. If the Board refuses to register a transfer of a share it shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

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

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

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

TRANSMISSION OF SHARES

39. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his 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 any other person.
40. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the Board may make require, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to be registered as the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
41. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to

the same dividends and other moneys payable in respect of the share, and if the same are paid to him to receive and give a discharge therefor; but he shall not be entitled in respect of the share to receive notice of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a member until he shall have become registered as the holder thereof; and the Board may retain all dividends and other moneys aforesaid until the person concerned becomes registered as the holder of the share or the same is duly transferred.

ALTERATION OF SHARE CAPITAL

42. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
43. The new shares shall be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise.
44. The Company may from time to time by Ordinary Resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

(b) Subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount than its existing shares; and the resolution may determine that, as between the shares resulting from the sub-division, any of the them may have any such preference or other special rights over, or may have such qualities or deferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares.

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

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

accordance with, the direction of the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

46. Subject to the provisions of the Act, the Company may by Special Resolution reduce its share capital or any capital redemption reserve or any share premium account in any manner.

PURCHASE OF OWN SHARES

47. Subject to the provisions of the Act, the Company may after 28th February 1989 purchase any of its own shares (including any redeemable shares). The terms and manner of any such purchase shall (save in so far as the Act or any authority granted by the Company in general meeting under the Act shall otherwise require) be determined by the Board, but so that in any event no purchase may be made unless it shall first have been sanctioned by an Extraordinary Resolution passed at a separate general meeting of the holders of any class of convertible shares in the capital of the Company.

GENERAL MEETINGS

48. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. The annual general meeting of the Company shall be held at such time and place as the Board shall appoint.
49. All general meetings other than annual general meetings shall be called extraordinary general meetings.
50. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Act. Any meeting convened by requisitionists shall be convened in the same manner as nearly as possible as that in which meetings may be convened by the Board.

NOTICE OF GENERAL MEETINGS

51. An annual general meeting and an extraordinary general meeting called for the passing of a Special Resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All

other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:-

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

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

52. In every notice calling a meeting there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.

53 Subject to the provisions of the Articles notice of every general meeting shall be given to every member entitled

to attend and vote at the meeting, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

54. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting other than the declaration of dividends, the consideration of the accounts and financial statements presented by the Board and the reports of the directors and auditors, the election of directors and auditors and the voting of the remuneration of the directors and the remuneration of the auditors.
56. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these Articles, two members present in person or represented by proxy and

entitled to attend and to vote shall be a quorum for all purposes. A corporation being a member shall be deemed for the purpose of this Article to be personally present if represented in accordance with the provisions of Section 375 of the Act.

57. If within fifteen minutes from the time appointed for the meeting a quorum be not present the meeting, if convened on 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 or place as the Chairman of the meeting may determine. If at such adjourned meeting a quorum as prescribed above be not present within fifteen minutes from the time appointed for holding the meeting the members present in person or by proxy and entitled to vote shall be a quorum.
58. The Chairman (if any) of the Board or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting.
59. If there be no such Chairman or Deputy Chairman, or if at any meeting neither the Chairman nor the Deputy Chairman be present within fifteen minutes after the time appointed for holding the meeting, or if neither of them be willing to act as Chairman, the directors present shall choose one of their number to act, or if one

director only be present he shall preside as Chairman if willing to act. If no director be present, or if all the directors present decline to take the chair, the members present in person shall elect one of their number to be Chairman.

60. 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 except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting.

61. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded by:

(a) the Chairman, or

(b) at least two members present in person or by proxy and entitled to vote at the meeting, or

(c) any member or members present in person or by proxy and representing in the aggregate not less

than one-tenth of the total voting rights of all members having the right to vote at the meeting, or

- (d) any member or members present in person nor by proxy and holding shares conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

62. Unless a poll be so demanded and the demand be not withdrawn, 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 not carried by a particular majority or lost and an entry to that effect in the book of 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.

63. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than a mere clerical amendment

to correct a patent error) may in any event be considered or voted upon.

64. If any votes shall be counted which ought not to have been counted or might have been rejected or if any votes shall not be counted which ought to have been counted the error shall not vitiate the resolution unless it be pointed out at the same meeting and not in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the resolution.
65. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
66. In case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the Chairman of such meeting shall be entitled to a casting vote in addition to any other vote he may have.
67. 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 and place and in such manner as the Chairman shall direct.

68. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn at any time before the meeting proceeds to the next business.

VOTES AT GENERAL MEETINGS

69. Subject as hereinafter provided:

(a) On a show of hands every member who is present in person and entitled to vote on such show of hands shall have one vote.

(b) On a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share held by him.

70. Where, in respect of any share, any member or any other person appearing to be interested in such share fails to comply with any notice (in this Article called a "statutory notice") given to him by the Company under Section 212 of the Act then not earlier than twenty-eight days after the service of such statutory notice the Company may serve upon the registered holder of such share a notice (in this Article called a "disenfranchisement notice") stating or to the effect that the registered holder of such share shall from the

service of the disenfranchisement notice have no right to attend or vote at any general meeting of the Company or any separate meeting of the holders of the shares of the class to which such share belongs, until compliance has been made with the statutory notice. For the purpose of this Article a person shall be treated as appearing to be interested in any share if the member holding such share has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the share and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share.

71. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the others, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
72. In accordance with Section 375 of the Act a company being a member 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 company which he represents as that company could exercise if it were an individual member of the Company present in person at the meeting.

73. A member who is a patient within the meaning of the Mental Health Act, 1983, or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs, may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other legal curator, and such person may vote on a poll by proxy.
74. No member shall be entitled to attend or vote at any general meeting unless all calls or other sums presently payable by him in respect of the relevant shares in the Company have been paid.
75. No objection shall be raised to the qualification of any voter except at the meeting, adjourned meeting or poll at which the vote objected to is given or tendered. Every vote not disallowed at such meeting or poll shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting at or pursuant to which the vote is taken, whose decision shall be final and conclusive.

76. On a poll votes may be given either personally or by proxy.
77. 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 be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.
78. A proxy need not be a member of the company. Any member may appoint more than one proxy to attend on the same occasion. The instrument appointing a proxy shall be deemed to confer authority to demand a poll.
79. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the office (or such other place in the United Kingdom as may be specified in the notice convening the meeting) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, 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.

80. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.
81. Instruments of proxy shall be in any usual or common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting.
82. 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 instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company two hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the vote is given at the place at which the instrument appointing the proxy was required to be left.

83. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings of the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

DIRECTORS

84. Unless and until otherwise determined by an Ordinary Resolution of the Company the directors shall not be less than four in number.
85. A director shall require no shareholding qualifications but shall be entitled to attend and speak at general meetings and at separate meetings of the holders of any class of shares.

REMUNERATION OF DIRECTORS

86. The remuneration of the non-executive directors shall from time to time be determined by Ordinary Resolution of the Company and shall be deemed to accrue from day to day. Subject to the foregoing the remuneration of each non-executive director at the rate of £10,000 per annum

(or such lesser sum as the Board may determine for any financial year of the Company) shall be deemed to be duly authorised hereunder until the Company in general meeting shall otherwise resolve.

87. The directors shall also be entitled to be paid their reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or otherwise incurred while engaged on the business of the Company.
88. Any director who, by request, performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration, by way of salary or otherwise, as the Board may determine.
89. A director of the Company may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested, and with the consent of the Board any such director shall not be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other company. The Board may also exercise the voting power conferred by the shares in any other company held or owned by the Company in such shares in any other company held or owned by the Company in such manner in all respects as it thinks fit, including the exercise thereof in favour of any

resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. For the purpose of this Article "company" includes any partnership, combination or association of persons whether corporate or unincorporate.

90. A director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of director upon such terms as the Board may determine, and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration under these Articles. Subject to the next following Articles, no director or intending director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.

INTERESTS OF DIRECTORS

91. A director who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, transaction or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all contracts, transactions or arrangements with such company or firm shall be a sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent contract, transaction or arrangement with such company or firm, provided that either the notice is given at a meeting of the Board or the director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
92. (1) Save as herein provided, a director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he (together with any person connected with him) has any material interest otherwise than by virtue of his interests in shares or

debentures or other securities of or otherwise in or through the Company. A director⁴ shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

- (2) A director shall (in the absence of some other material interest of his or any person connected with him than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the behalf of the Company or any of its subsidiaries,
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security,
- (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which he is or

is to be interested as a participant in the underwriting or sub-underwriting thereof,

- (d) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent of more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest of his or of any person connected with him in all circumstances),
- (e) any proposal concerning the adoption modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes,
- (f) any matter connected with any employees' share scheme or any share incentive or share option scheme, other than the allocation to him of any share or the grant to him of any option over any

share or any other matter concerning his individual participation in any such scheme

(3) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment of two or more directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in such cases each of the directors concerned (if not debarred from voting under the proviso to paragraph 2(d) of this Article) shall be entitled to vote (and to be counted in the quorum) in respect of each resolution except that concerning his own appointment.

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

(5) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or

ratify any transaction not duly authorised by reason of a contravention of this Article.

(6) Any director may act by himself or his firm or company in a professional capacity for the Company (otherwise than as Auditor), and he or his firm or company shall be entitled to remuneration for professional services as if he were not a director.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

93. Without prejudice to the provisions for retirement by rotation hereinafter contained, the office of a director shall be vacated in any of the events following, namely:-

(a) if (not being an Executive Director holding office for a fixed term) he resigns his office by notice in writing delivered to the office or submitted to a meeting of the Board or (being an Executive Director holding office for a fixed term) his resignation in writing is accepted by the Board;

(b) if he is, or may be, suffering from mental disorder and either:-

(i) he is admitted to hospital in pursuance of an application for admission for treatment

under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

(ii) an order is made by a court of competent jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of any person to exercise powers with respect to his property or affairs;

(c) if, without the written consent of the Chairman, he is absent from meetings of the Board (whether or not any alternate director appointed by him attends) for six consecutive months, and the Board resolves that his office be vacated;

(d) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

(e) if he is prohibited by law from being a director;

(f) if being an Executive Director he ceases to be the holder of executive office and the Board resolves that he shall vacate his office as a director.

EXECUTIVE DIRECTORS

94. The Company may by Extraordinary Resolution, or, (subject to the provisions of Section 303 of the Act) by Ordinary Resolution of which special notice has been given in accordance with Section 379 of the Act, remove any director before the expiration of his period of office and may by Ordinary Resolution appoint another person in his place. The person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.
95. The Board may from time to time appoint one or more of its body to be the holder of any executive office including that of Managing Director for such period and upon such terms as it thinks fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. The appointment of any director to any executive office as aforesaid shall be subject to termination if he ceases from any cause to be a director but without prejudice to any claim which either party may have for damages for breach of any contract of service between the Executive Director and the Company.

96. An Executive Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a director.
97. The Board may entrust to and confer upon an Executive Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case revoke, withdraw, alter or vary all or any of such powers.

ROTATION OF THE BOARD

98. At the first Annual General Meeting following the adoption of these Articles 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 be not a multiple of three then the number nearest to but not exceeding one-third shall retire from office.
99. Neither the Chairman nor the Managing Director while holding office as such shall be subject to retirement by

rotation nor shall he be taken into account in determining the number of directors to retire in each year. A director retiring at a meeting shall retain office until the close or adjournment of the meeting.

100. The directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

101. A retiring director shall be eligible for re-election.

102. Subject to the provisions of Article 104 at the meeting at which a director retires in manner aforesaid, the Company may fill the vacated office by electing a person thereto, and in default the retiring director shall if eligible and willing to continue to act be deemed to have been re-elected, unless at such meeting it be 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.

103. Subject as aforesaid the Company may also in general meeting elect any person to be a director either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of directors shall not at

any time exceed the maximum number (if any) fixed by or in accordance with these Articles.

104. The election or appointment of any person proposed as a director shall be effected by a separate resolution. and a single resolution purporting to elect or appoint two or more persons to be directors shall be ineffective and void.
105. No person other than a director retiring or otherwise vacating office at a general meeting shall, unless recommended by the board, be eligible for election to the office of a director at any general meeting unless, not less than seven and not more than forty-two clear days before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of willingness to be elected.
106. The Company in general meeting may from time to time increase or reduce the number of directors and may also determine in what rotation such increased or reduced number is to go out of office.

107. Without prejudice to the power of the Company in general meeting to appoint any person to be a director, the Board shall have power at any time and from time to time to appoint any person who shall not have attained the age of seventy to be a director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of directors shall not at any time exceed the maximum number (if any) fixed by or 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.

POWERS AND DUTIES OF THE BOARD

108. The business of the Company shall be managed by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Act and of these Articles and to such regulations, being not inconsistent with such 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 Board which would have

been valid if such regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

109. The Board may establish any local boards or agencies for managing any of the affairs of the Company either in the United Kingdom or elsewhere and may appoint any persons to be members of such local boards, or as managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board with or without power to sub-delegate and may authorised the members of any local board or any of them to fill any vacancies therein and to act notwithstanding such vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

110. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

111. All moneys, bills and notes belonging to the Company shall be paid to or deposited with the Company's bankers to an account to be opened in the name of the Company or to a joint account to be opened in the name of the Company and other parties. All cheques, promissory notes, drafts, bills of exchange and other negotiable and transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

MINUTES AND RECORDS

112. The Board shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of officers made to or by the Board;
- (b) of the names of the directors present at each meeting of the Board or committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of any committee of the Board.

113. Any minute of any meeting of the Board or of any committee of the Board if signed by any person purporting to be the Chairman of such meeting, or of the next following meeting of the Board, or any such committee of the Board, or to be the Chairman of the Board, or by any two of the directors, shall be receivable as evidence of the facts therein stated without further proof.

114. The Company shall, in accordance with the provisions of the Act, duly keep and the Board shall cause to be kept at the office a register of directors' interests showing as respects each director the particulars required to be disclosed by the Act. Such register shall be open to inspection between the hours of 10.00 a.m. and 12.00 noon on each business day as prescribed by the Act and shall also be produced at the commencement of each Annual General Meeting and shall remain open and accessible

during the continuance of the meeting to any person attending the meeting.

115. A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Board or of a committee of the Board which is certified as such by any director or the Secretary or any person appointed by the Board for the purpose shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Board or of the committee.

PROCEEDINGS OF THE BOARD

116. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In case of any equality of votes the Chairman shall have a second or casting vote. A director may and the Secretary on the requisition of a director shall at any time summon a Board meeting. It shall not be necessary to give notice of a Board meeting to any director for the time being absent from the United Kingdom.

117. The quorum necessary for the transaction of the business at meetings of the Board may be fixed by the Board and unless so fixed at any other greater number shall be two. If within half an hour of the time appointed for a meeting of the directors a quorum is not present, the meeting shall stand adjourned to the same day in the next week, or if the same be a Bank or Public Holiday the next following business day, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time so appointed the directors present shall be a quorum.

118. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number be reduced below the minimum number fixed by or in accordance with these Articles the continuing directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Company but not for any other purpose, and may act for either of the purposes aforesaid whether or not their number be reduced below the number fixed by or in accordance with these Articles as the quorum.

119. The Board may from time to time elect a Chairman and Deputy Chairman of the Board. The Board may determine the period for which the Chairman and Deputy Chairman are respectively to hold office. The Chairman or in his absence the Deputy Chairman so elected shall be entitled

to be chairman at every meeting of the Board. If no such Chairman or Deputy Chairman be elected, or if at any meeting neither the Chairman nor the Deputy Chairman be elected, or if at any meeting neither the Chairman nor the Deputy Chairman be 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.

120. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board.

121. The Board may delegate all or any of its powers to committees consisting of such person or persons (whether of their number or not) as they think fit provided always that non-directors constitute less than one-half of the total number from time to time of any such committee. All committees so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed upon them by the Board. No resolution of any committee present and a majority of those who vote in favour of the resolution are, in each case, directors.

122. Save as hereinbefore provided the meetings and proceedings of any committee consisting of two or more persons shall be governed by the provisions contained in these Articles for regulating the meetings and

proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under this Article.

123. All acts done by any Board or committee or by any person acting as a director or member of a committee, notwithstanding it be afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of a committee.

PARTICIPATION BY ABSENT DIRECTOR

124. Any director may participate in a properly convened meeting of the Board at which a quorum is present (whether or not he shall have been given notice of the meeting) by means of conference telephone, video or similar communication equipment whereby all the directors participating in the meeting and any such director can hear one another throughout all relevant discussions. The director so participating may not be counted in the quorum of the meeting but may vote orally and any vote so given shall be counted. The director may be required by any other director present in person at the meeting to sign, by way of confirmation, either the original minutes

of the meeting (which shall refer to his participation) or a written memorandum to be attached to such minutes recording the decisions in which he participated, but neither the proceedings at the meeting nor the record thereof shall be invalidated by any failure by the director to observe any such requirement.

WRITTEN RESOLUTION OF THE BOARD

125. A resolution in writing signed by all the directors for the time being entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the directors or members of the committee concerned.

PENSIONS AND ALLOWANCES

126. The Board may pay and agree to pay pensions or other retirement, superannuation, death or disability benefits or allowances to or to any person in respect of any director or former director who may hold or may have held any executive office or employment under the Company or any subsidiary company of the Company or its holding

company (if any) and for the purpose of providing any such pensions or other benefits or allowances may contribute to any scheme or fund and may make payments towards insurances or trusts in respect of such persons.

BORROWING POWERS

127. (1) Subject to the provisions of the Act and of these Articles and in particular as hereinafter provided the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(2) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) with a view to securing (but as regards subsidiaries only in so far as by the exercise of such rights or powers of control the Board can secure) that the aggregate principal amount from time to time outstanding of all moneys borrowed or secured by the Company and its subsidiaries (exclusive of moneys outstanding in respect of borrowings by any member of the group from any other member of the group) shall not at

any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to twice the Adjusted Capital and Reserves.

For the purpose of this Article:-

(i) "the Adjusted Capital and Reserves" means the aggregate from time to time of:-

(a) the amount paid up or credited as paid up on the issued share capital of the Company; and

(b) the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve fund and any credit balance on profit and loss account) and any amount set aside for deferred taxation all as shown by the then latest audited balance sheet but after deducting therefrom any debit balance on profit and loss account (except to the extent that such deduction has already been made) and making adjustments to reflect any variation in the amount of such paid up share capital, share premium

account or capital redemption reserve fund since the date of the audited balance sheet.

(ii) "audited balance sheet" means the audited balance sheet of the Company unless at the date of the then latest such balance sheet there shall have been made up and audited a consolidated balance sheet of the Company and its subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purpose of the Act) and in the latter event "audited balance sheet" means the audited consolidated balance sheet of the Company and such subsidiaries and the references to reserves and profit and loss account respectively and there shall be excluded any amounts attributable to outside interests in subsidiaries.

(iii) "moneys borrowed or secured" shall be deemed to include (if not otherwise taken into account);-

(a) the nominal amount of any share capital issued and the principal amount of any moneys borrowed

(together in each case with any fixed or minimum premium payable on final repayment) the beneficial interest wherein is owned otherwise than by the Company or a subsidiary and the repayment whereof is guaranteed by the Company or by any subsidiary;

(b) the principal amount owing (otherwise than to the Company or a subsidiary) on any debentures of the Company or any subsidiary howsoever issued (together with any fixed or minimum premium payable on final repayment);

(c) the principal amount raised by the acceptance of bills by the Company or any subsidiary (not being acceptances of trade bills for the purchase of goods in the ordinary course of business) or by any bank or accepting house under any acceptance credit opened on behalf of the Company or any subsidiary;

- (d) the nominal amount of any issued share capital of a subsidiary (not being equity share capital) owned otherwise than by the Company or a subsidiary (together with any fixed or minimum premium payable on final repayment).
- (iv) there shall be disregarded in calculating the aggregate amount from time to time outstanding of all moneys borrowed or secured:-
 - (a) moneys borrowed or secured by the Company or any subsidiary for the purpose of redeeming or repaying within six months any moneys borrowed or secured by the Company or any subsidiary pending their application for that purpose within such period;
 - (b) moneys borrowed or raised by a partly owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary;

- (c) an amount equal to the aggregate sum remaining borrowed or secured by any company becoming a subsidiary of the Company immediately after it becomes such a subsidiary at the time it becomes such a subsidiary and thereafter until completion of the audited balance sheet for the financial year in which it becomes a subsidiary and an amount equal to the aggregate sum remaining secured on any assets acquired by the Company or any of its subsidiaries immediately after such acquisition at the time of such acquisition and thereafter until completion of the audited balance sheet for the financial year in which such acquisition occurs;
- (d) the amount of any increase in monies borrowed or secured resulting from a change in currency exchange rates until the completion of the audited balance sheet for the financial year in which such increase occurs;

- (a) moneys borrowed or secured for the purpose of financing any contract in respect of which any part of the price receivable by the Company or a subsidiary is guaranteed or insured by the export Creditors Guarantee Department fulfilling a similar function to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured.
- (3) A certificate or report by the Auditors for the time being of the Company as to the amount of the Adjusted Capital and Reserves or the amount of moneys borrowed or secured or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article.
- (4) Notwithstanding the foregoing no lender or other person dealing with the Company shall be concerned to see to or enquire whether the limit imposed by this Article is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of

the security at the time when the debt was incurred or security given that the limit hereby imposed has been or was thereby exceeded.

ALTERNATE DIRECTORS

128. (1) Any director may appoint any other director of the Company to be his alternate director, and may from time to time revoke any such appointment with or without appointing another alternate.
- (2) Every appointment or revocation shall be in writing under the hand of the person making the same ("the Appointor"), and shall take effect as from the receipt thereof by the Company at the office.
- (3) An alternate director shall in the absence of his Appointor, and while acting as alternate, have an additional vote for each director for whom he acts as alternate.
- (4) An alternate director shall not require any share qualification, and shall not be entitled to appoint an alternate director. His remuneration (if any) shall be agreed between him and his Appointor and the Company shall be under no obligation to him in respect thereof.

(5) The appointment of an alternate director shall be revoked ipso facto if his Appointor ceases for any reason to be a director of the Company; provided that if any director retires by rotation or otherwise but is re-elected at the same meeting any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

(6) Save as aforesaid an alternate director shall be subject in all respects to the terms and conditions existing with reference to the other directors of the Company, and each alternate director, while so acting, shall exercise and discharge all the functions, powers and duties, as a director, of his Appointor in such Appointor's absence.

SECRETARY

129. The Secretary (and any Assistant or Deputy Secretary) shall be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit, and any Secretary, Assistant Secretary and Deputy Secretary so appointed may be removed by the Board.

130. Anything required or authorised by the Act to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary available to act or capable of acting, be done by or to any Assistant or Deputy Secretary or, if there is no Assistant or Deputy Secretary capable of acting by or to any officer of the Company authorised generally or specially in that behalf by the Board.

131. A provision of the Act 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

132. The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Every instrument to which the Seal shall be affixed shall be autographically signed by a director and shall be countersigned by the Secretary or by a second director or by some other officer appointed by the Board for the purpose.

DIVIDENDS

133. The Company in general meeting may from time to time declare dividends to be paid to the members according to their rights and interests in the profits, but no dividend shall be declared in excess of the amount recommended by the Board or otherwise than in accordance with the provisions of the Act.
134. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date or for all dividends declared after a particular date such share shall rank for dividend accordingly.
135. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and may also pay the fixed dividend which is

payable on any shares of the Company half-yearly or otherwise on fixed dates, whenever such position, in the opinion of the Board, justifies that course.

136. The Board may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company.
137. No dividend shall bear interest against the Company.
138. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the registered holder, or in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at his or their risk.

139. Any one of two or more joint holders may give effectual receipts for dividends or other monies payable in respect of the shares held by such joint holders.
140. Any general meeting declaring a dividend may, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company and the Board shall give effect to such direction; and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to secure equality of distribution.
141. The Board may offer to the holders of ordinary shares (subject to such restrictions or exclusions as the Board may deem necessary or desirable in the light of any foreign enactment or regulation) the right to elect to receive ordinary shares, credited as fully paid, in whole or in part instead of cash in respect of such dividend or dividends as the Board may decide. The following provisions shall apply:

- (a) The entitlement of each ordinary shareholder to new ordinary shares shall be such that the relevant value thereof shall be as nearly as possible equal to the cash amount which such shareholders would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ordinary shares on The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited, as derived from The Stock Exchange Daily Official List, on the day when the ordinary shares are first quoted "ex" the relevant dividend and the four subsequent dealing days.
- (b) The Board, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them, and shall send with, or following, such notification forms of election and shall specify the procedure to be followed and place at which, and the latest time by which, duly completed forms of election must be lodged in order to be effective.
- (c) The Board shall be entitled to determine as it shall consider desirable or expedient how any fractional entitlements are to be treated in

determining the said basis of allotment, and shall have full power to make provisions whereby fractional entitlements are either in whole or in part disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned.

- (d) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which the said election has been duly made ("the elected ordinary shares") and additional ordinary shares shall instead be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid. For such purpose the Board shall capitalise, out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on such basis, and shall apply the same in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to and amongst the holders of the elected ordinary shares on such basis.

(e) The additional ordinary shares so allotted shall rank pari passu in all respects with the full-paid ordinary shares then in issue save only as regards participation in the relevant dividend.

142. The payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

RESERVES

143. The Board may before recommending any dividend set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments permitted by law as the Board may from time to time think fit. The Board may also without placing the same to reserve, carry forward any profits which it may think prudent not to divide.

144. The Board shall transfer to share premium account as required by the Act sums equal to the amount or value of any premiums at which shares of the Company may be issued, and such other sums (if any) as the Act requires so to be transferred. Subject to the provisions of the Act the provisions of these Articles relating to reserves shall be applicable to the sum for the time being standing to the credit of share premium account.

CAPITALISATION OF PROFITS

145. The Company may upon the recommendation of the Board by Ordinary Resolution resolve that it is desirable to capitalise any sum placed or reserve standing to the credit of any specific reserve account of the Company (including without prejudice to the generality of the foregoing share premium account and capital redemption reserve) or any sum standing to the credit of profit and loss account and whether or not such sum is available for distribution, provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative or non-cumulative preferential dividend, and accordingly that the directors be authorised and directed to appropriate the sum resolved to be capitalised to the members in proportion to the number of shares held by them and to apply such sum on their behalf in paying up in full unissued shares of the Company of a nominal amount equal to such sum, such shares to be allotted and

distributed, credited as fully paid up, to and amongst such holders in the proportion aforesaid.

146. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract requisite or convenient for giving effect thereto and such appointment shall be effective and binding upon the members.

ACCOUNTS

147. The Board shall cause accounting records to be kept in accordance with the provisions of the Act.
148. The accounting records shall be kept at the office, or, subject to the provisions of the Act, at such other place or places as the Board may think fit and shall always be open to the inspection of the directors of the Company. No member (other than a director) shall have any right of inspecting the accounting records of the Company except as conferred by law or authorised by the Board.

149. The Board shall from time to time, in accordance with the Act, 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 the Act requires.

150. A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the directors' and Auditors' reports shall not less than twenty-one days before the date of the meeting be sent to every member and to every holder of debentures of the Company; provided that this Article shall not require copies of such documents to be sent to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures.

AUDIT

151. Auditors shall be appointed and their duties regulated in accordance with the Act.

NOTICES

152. Any notice or other document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at

his registered address as appearing in the Register or by delivering it to or leaving it at such registered address addressed as aforesaid. In the case of joint holders of a share, all notices shall unless such holders otherwise in writing direct be given to that one of the joint holders whose name stands first in the Register, and notice so given shall be sufficient notice to all the joint holders.

153. Any member described in the Register by an address not within the United Kingdom who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no member other than a member described in the Register by an address within the United Kingdom shall be entitled to receive any notice from the Company.
154. Any notice or other document, if served by post, shall be deemed to have been served twenty-four hours after the time when the same was put into the post, and in proving such service it shall be sufficient to prove that the notice or document was properly address, stamped for first class transmission and put into the post.
155. Any notice or other document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that

such member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder unless his name shall, at the time of the service of the notice or document, have been removed from the Register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

156. (1) If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by notice advertised in at least one national daily newspaper; such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least forty-eight hours prior to the meeting the posting of notices to addresses within the United Kingdom again becomes practicable.

(2) Any other notice required to be given by the Company to the members or any of them shall be sufficiently given if given by advertisement (whether or not the Company is unable effectively to give such notice by reason of suspension or curtailment of postal services or otherwise). Any such notice given by advertisement shall be advertised once in at least one leading national daily newspaper.

WINDING-UP

157. If the Company shall be wound up the Liquidator may with the sanction of an Extraordinary Resolution of the contributories divide among the contributories in specie or kind the whole or any part of the assets of the Company and 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.

INDEMNITY

158. Every director, Executive Director, manager, officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such director, Executive Director, manager, officer or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his

favour, or in which he is acquitted or in connection with any application under Section 727 of the Act, in which relief is granted to him by the Court.

DESTRUCTION OF DOCUMENTS

159. The Company shall be entitled to destroy all instruments of transfer of shares and all other documents on the faith of which entries are made in the Register at any time after the expiration of six years from the date of registration thereof, all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof, and all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording thereof. It shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:-

- (a) the foregoing provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the

parties thereto to which the document might be relevant;

(b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled; and

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

UNTRACED SHAREHOLDERS

160. (1) The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of The Stock Exchange to sell them in accordance with the best practice then obtaining if:-

(a) the shares have been in issue throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;

- (b) no cash dividend payable on the shares has either been claimed by presentation to the bank of the relative cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or persons entitled by transmission to, the shares at any time during the relevant period,
- (c) so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares,
- (d) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the shares shown in the register giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates, and

(e) the Company has given notice to the Quotations Department of The Stock Exchange of its intention to make the sale.

(2) for the purpose of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in paragraph (1)(d) or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of paragraphs (1)(a) to (e) have been satisfied.

(3) If, after the publication of either or both of the advertisements referred to in paragraph (1)(d) but before the Company has become entitled to sell the shares pursuant to this Article, the requirements of paragraph (1)(b) or (c) cease to be satisfied, the Company may nevertheless sell those shares after the requirements of paragraphs (1)(a) to (e) have been satisfied afresh in relation to them.

(4) If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of paragraph s (1)(b) to (e) have been satisfied in regard to the further shares, the Company may also sell the further shares.

161. To give effect to any sale of shares pursuant to Article 161 the Board may authorise some person to transfer the shares in question and an instrument of transfer executed by that parson shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an equal amount to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company as it thinks fit.

162. The Company may cease to send any cheque or warrant through the post for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed but, subject to the provisions of these Articles, shall recommence sending cheques or warrants in respect of those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.