

1883830

STEER DAVIES & GLEAVE LIMITED

EXTRAORDINARY GENERAL MEETING – 31 JULY 2002

At an Extraordinary General Meeting of the shareholders of Steer Davies & Gleave Limited, held on 31 July 2002, the following resolution was passed as a Special Resolution:

THAT the Articles of Association in the form produced to the Meeting be and are hereby adopted and the Directors be and are hereby authorised to do all such acts and things as may be necessary or expedient to carry the same into effect.

.....*Brian V. Hauling*.....
Chairman

15/8/02



Company Number : 1883830

The Companies Act 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(as adopted on the 26th day of July 1990
and amended by Special Resolution on 28 May 1997 and 31 July 2002)

- of -

STEER DAVIES & GLEAVE LIMITED

Incorporated on the 7th February 1985

INTERPRETATION

1 In these regulations:-

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

"the articles" means the articles of the company.

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

"executed" includes any mode of execution.

"office" means the registered office of the company.

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

"the seal" means the common seal of the company.

"secretary" means the secretary of the company or any other person appointed to perform the duties of the secretary of the company including a joint assistant or deputy secretary.

"Share Incentive Plan" means the plan adopted by the company on 31st July 2002 and approved by the Inland Revenue under Schedule 8 to the Finance Act 2000 on 1st August 2002.

"the United Kingdom" means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act in force when these regulations become binding on the company.

PRELIMINARY

- 2 The company is a Private Company within the meaning of Section 1(3) of the Companies Act 1985. Accordingly the company shall not offer to the public (whether for cash or otherwise) any shares in or debentures of the company or allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the company with a view to all or any of the shares or debentures being offered for sale to the public.

ALLOTMENT OF SHARES

- 3 The directors of the company shall within a period of five years from the date of the adoption of these articles be entitled to exercise the company's power to allot, grant options over or otherwise dispose of the entire amount of the authorised but unissued share capital of the company at the date of the adoption of these articles. The members of the company shall have power from time to time by ordinary resolution to renew or revoke the directors' exercise of the company's power to allot, grant options over or otherwise dispose of any shares in the capital of the company but no authority for the directors to allot, grant options over or otherwise dispose of shares shall be valid for more than five years from the date of passing the members' resolution to which it relates.
- 4 (a) Sections 89(1) and 90(1) to (6) of the Companies Act 1985 shall not apply in relation to the issue of any equity securities by the company but in substitution therefor the provisions of sub-paragraph (b) of this article shall apply.

(b) Save as otherwise directed by a resolution of the company in general meeting passed by a majority of not less than sixty per cent of such members (as being entitled to do so) vote in person or, where proxies are allowed, by proxy any new shares from time to time to be created shall first be offered to the Trustees of the Steer Davies & Gleave Limited No.2 ESOP Trust ("the trustees") and if the trustees decline, the offer shall then be made to the members in proportion as nearly as possible to the existing number of shares held by them. Any such offer shall be made by notice specifying the number of shares offered and limiting a time (not being less than 28 days) within which the offer, if not accepted, will be deemed to be declined and after the expiration of such time any shares not accepted and any shares which, by reason of the ratio which the shares to be issued bear to the shares held by persons entitled to an offer thereof, cannot, in the opinion of the directors, conveniently be offered under this article, shall be at the disposal of the directors who may allot, grant options over, or otherwise dispose of the same to such persons at such times and on such terms as they think proper.

SHARE CAPITAL

- 5 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
- 6 Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.
- 7 The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 8 Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as by the articles or by law otherwise provided) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.
- 9 Subject to the provisions of the Companies Act 1985 including Sections 162 and 171 to 175 thereof the company may purchase its own shares including any redeemable shares.

SHARE CERTIFICATES

- 10 Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and upon transferring a part of his holding of shares of any class, to a certificate for the balance of the holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 11 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

- 12 The company shall have a first and paramount lien on every share (whether fully paid or not), on all dividends and on all shares registered in the name of any person indebted or under liability to the company whether he shall be the sole registered holder thereof or one of two or more joint holders thereof for all monies (whether presently payable or not) payable at a fixed time or called in respect of such shares or dividends. The directors may at any time declare such shares or dividends to be wholly or in part exempt from the provisions of this regulation. The company's lien on such shares or dividends shall extend to any amount payable in respect of them.
- 13 The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or 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.
- 14 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 15 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any monies not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES AND FORFEITURE

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

- 18 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 19 if a call remains unpaid after it has become due and payable the person from whom the sum is due shall pay interest on the unpaid sum from the day it became due until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
- 20 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
- 21 Subject to the terms of the allotment the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 22 if a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 23 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other monies payable in respect of the forfeited shares and not paid before the forfeiture.
- 24 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 25 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 monies 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 monies before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 26 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

TRANSFER OF SHARES

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

- 28
- (a) None of the following provisions of this regulation 28 shall apply to a transfer of shares by or to the trustees or by or to the trustee of the Share Incentive Plan.
 - (b) The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer which would otherwise be permitted under the succeeding provisions of this article if it is a transfer:
 - (i) of a share on which the company has a lien; or
 - (ii) of a share (not being a fully paid share) to a person of whom they shall not approve; or
 - (iii) of a share (whether or not it is fully paid) made pursuant to paragraph (j) below
 - (c) Any person ("the proposing transferor") proposing to transfer any shares shall give notice in writing ("the transfer notice") to the company that he desires to transfer the same and specifying the price per share which in his opinion constitutes the fair value thereof. The transfer notice shall constitute the company as the agent of the proposing transferor for the sale of all (but not some only of) the shares comprised in the transfer notice to the trustees or to any member or members at the price specified therein or at the fair value certified in accordance with paragraph (e) below (whichever shall be the lower). Except in the case of a deemed transfer notice under paragraphs (k) and (l) below, a transfer notice shall be revocable with the sanction of the directors.
 - (d) The shares comprised in any transfer notice shall be offered in the first instance to the trustees. The offer shall be made by notice in writing ("the offer notice") within seven days after the receipt by the company of the transfer notice. The offer notice shall state the price per share specified in the transfer notice and shall limit the time in which the offer may be accepted, not being less than fourteen days nor more than twenty eight days after the date of the offer notice, provided that if a certificate of fair value is requested under paragraph (e) below the offer shall remain open for acceptance for a period of fourteen days after the date on which notice of the fair value certified in accordance with that paragraph shall have been given by the company to the trustees or until the expiry of the period specified in the offer notice, whichever is the later. For the purpose of this regulation an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company.
 - (e) The trustees may elect, not later than eight days after the date of the offer notice, to serve on the company a notice in writing requesting that the auditors for the time being of the company ("the auditors") certify in writing the sum which in their opinion represents the fair value of the shares comprised in the transfer notice as at the date of the transfer notice. In valuing each share, the auditors shall assume that there is a willing buyer for the shares comprised in the transfer notice and shall value the shares on the basis of a pro rate proportion of the value of the whole company without any discount or premium to reflect the size of the holding. Upon receipt of such notice the company shall instruct the auditors to certify as aforesaid and the costs of such valuation shall be borne by the company. In certifying the fair value as aforesaid the auditors shall be considered to be acting as experts and not as arbitrators and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the auditors, the company shall by notice in writing inform the trustees of the fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the fair value of each share) at which the shares comprised in the transfer notice are offered for sale. For the purpose of this regulation the fair value of each share comprised in the transfer notice shall be the sum certified as aforesaid divided by the number of shares in the transfer notice.
 - (f) If the trustees agree to purchase all the shares comprised in the transfer notice within the appropriate period specified in paragraph (d) above the company shall not later than seven days after the expiry of such period give notice in writing to the proposing transferor and the proposing transferor shall be bound upon payment of the price due in

respect of all the shares comprised in the transfer notice to transfer the shares to the trustees.

- (g) If the trustees decline to purchase all or some of the shares comprised in the transfer notice ("the remaining shares") such shares shall be offered to the other members as nearly as may be in proportion to the number of shares held by them respectively. The offer notice shall state the price per share at which the shares are being offered being the lower of the price specified in the transfer notice and the fair value certified in accordance with paragraph (e) above and shall limit the time in which the offer may be accepted, not being less than seven days or more than fourteen days after the date of the offer notice. For the purpose of this regulation an offer shall be deemed to be accepted on the day on which the acceptance is received by the company. The offer notice shall further invite each member to state in his reply the number of additional shares (if any) in excess of his proportion which he desires to purchase and if all the members do not accept the offer in respect of their respective proportions in full the shares not so accepted shall be used to satisfy the claims for additional shares as nearly as may be in proportion to the number of shares already held by them respectively, provided that no member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable without fractions of being offered to the members in proportion to their existing holdings, the same shall be offered to the members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the directors may think fit.
- (h) If purchasers are found for all the remaining shares within the appropriate period specified in paragraph (g) above the company shall not later than seven days after the expiry of such period give notice in writing (hereinafter called "a sale notice") to the proposing transferor specifying the purchasers and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasers.
- (i) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares the company may receive the purchase money on his behalf, and may authorise any person to execute a transfer of such shares in favour of the purchaser. The receipt of the company for the purchase money shall be a good discharge to the purchaser. The company shall pay the purchase money into a separate bank account.
- (j) If the company shall not give a sale notice to the proposing transferor within the time specified in paragraph (h) above, he shall, during the period of twenty one days next following the expiry of the time so specified, be at liberty, subject to paragraph (b) above, to transfer all or any of the shares comprised in the transfer notice to any person or persons at a price not lower than the price at which the shares were offered to the members.
- (k) If:-
 - (i) any shares are held by directors or employees of the company or of any other company of which the company has control and such shares cease to be so held; or
 - (ii) any shares are acquired in pursuance of rights or interests obtained by such directors or employees by persons who are not (or have ceased to be) such directors or employees,

then the holder of such shares shall be deemed at the date of cessation under (i) above or the date of acquisition under (ii) above to have served the company with a transfer notice in respect of the shares. The preceding provisions of this regulation 28 shall thereupon apply mutatis mutandis to such shares save that (unless the shares have been acquired under the company's Share Incentive Plan) the fair value shall be determined in accordance with paragraph (m) below. The directors may, in their absolute discretion,

waive all or any of the provisions of this regulation 28(k) except that any such waiver shall not apply to Shares acquired under the company's Share Incentive Plan.

- (l) (i) Where a person becomes entitled to a share in consequence of the death or bankruptcy of a member pursuant to regulations 34 to 36 below, within six months of becoming so entitled, such person shall serve the company with a transfer notice in respect of such shares:.
- (ii) If a person so becoming entitled shall not have given a transfer notice in respect of any shares within six months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within thirty days of such notice to give a transfer notice in respect of all the shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such thirty days be deemed to have given a transfer notice pursuant to paragraph (c) of this regulation relating to those shares in respect of which he has still not done so;
- (iii) The trustees shall purchase all the shares comprised in a transfer notice served or deemed to be served pursuant to this paragraph (l) and the provisions of paragraph (h) shall apply mutatis mutandis to such shares.
- (m) Where a transfer notice is given under paragraph (l) above, or is deemed to be given under paragraph (k) or (l) above and no price is specified (and in relation to a deemed transfer notice under paragraph (k) above the shares were not acquired under the company's Share Incentive Plan), the transfer notice shall be deemed to specify the price per share most recently certified by the auditors under paragraph (e) above unless the directors consider it inappropriate that such valuation should apply in which event the directors shall request the auditors to certify in writing the sum which in their opinion represents the fair value of the shares comprised in the transfer notice or deemed transfer notice at the date of transfer or deemed transfer and the provisions of paragraph (e) above shall, mutatis mutandis, apply.

- 29 In the event that a takeover bid is made for the entire issued share capital of the company, and the offeror succeeds in obtaining the acceptance of at least 75% of the said capital, every member shall be required to sell his holding to the offeror in accordance with the terms of the offer.
- 30 If the directors refuse to register a transfer of a share they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.
- 31 The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
- 32 No fee shall be charged for the registration of any instrument or transfer or other document relating to or affecting the title to any share.
- 33 The company shall be entitled to retain any instrument of transfer which is registered but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

TRANSMISSION OF SHARES

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

- 35 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 directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the 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.
- 36 A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.

ALTERATION OF CAPITAL

- 37 The company may by ordinary resolution:-
- (a) increase the share capital by new shares of such amount as the resolution prescribes;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
 - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
- 38 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 39 Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve, and any share premium account in any way.

PURCHASE OF OWN SHARES

- 40 Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

- 41 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 42 The directors may call general meetings and on the requisition of members pursuant to the provisions of the Act shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United

Kingdom sufficient directors to call a general meeting any director or any member of the company may call a general meeting.

NOTICE OF GENERAL MEETINGS

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

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

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

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

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

PROCEEDINGS AT GENERAL MEETINGS

- 45 No business shall be transacted at any meeting unless a quorum is present. Holders of more than fifty per cent of the issued share capital of the company from time to time present in person or by proxy or, in the case of a corporation, by a duly authorised representative shall be a quorum.
- 46 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall be dissolved.
- 47 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 48 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 49 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the company.
- 50 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give notice of an adjournment.

- 51 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or any member in person or by proxy or, in the case of a corporation, by duly authorised representatives. Unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. In the event of an equality of votes the chairman shall not have a second or casting vote.
- 52 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 53 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 54 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 55 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. If the resolution in writing is described as a special resolution or as an extraordinary resolution it shall have effect accordingly.

VOTES OF MEMBERS

- 56 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.
- 57 In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 58 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver curator bonis or other person authorised in that behalf appointed by that court and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office or at such other place as is specified in accordance with the articles for the deposit of instruments by proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

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

60 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

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

62 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approved):-

" PLC/Limited
I/We, of
being a
member/members of the above-named company, hereby appoint
of or failing him,
as my/our
proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general
meeting of the company to be held on 19 , and at any adjournment thereof.

Signed on 19 ."

63 Where it is desired to afford members an opportunity of instructing the proxy how he shall act, the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):-

" PLC/Limited
I/We, of
being a
member/members of the above-named company, hereby appoint
of or failing him,
as my/our
proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general
meeting of the company to be held on 19 , and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:-

Resolution No. 1 *for *against

Resolution No. 2 *for *against

*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of 19 ."

64 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notari ally or in some other way approved by the directors may:-

(a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the

- company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

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

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

NUMBER OF DIRECTORS

- 66 Unless otherwise determined by ordinary resolution the number of directors shall not be subject to any maximum but shall be not less than one. If and so long as there is a sole director, such director may act alone in exercising all the powers and authorities under these articles which are vested in the directors generally. No director shall be subject to retirement by rotation.
- 67 The company shall not be subject to Section 293 of the Companies Act 1985 and accordingly any person may be appointed or elected as a director whatever his age and no director shall be required to vacate his office of director by reason of his attaining or having attained the age of seventy years or any other age.

POWERS OF DIRECTORS

- 68 Subject to the provisions of the Act the memorandum of association of the company and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum of association or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made and that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 69 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

- 70 The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

APPOINTMENT OF DIRECTORS

- 71 No person shall be appointed a director at any general meeting unless:-
- (a) he is recommended by the directors; or
 - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at a meeting has been given to the company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed.
- 72 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment as a director. The notice shall give the particulars of that person which would, if he were so appointed, be required to be included in the company's register of directors.
- 73 Subject as aforesaid, the company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
- 74 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 75 The office of a director shall be vacated if:-
- (a) by notice in writing to the company he resigns the office of director;
 - (b) he ceases to be a director by virtue of Section 291 of the Companies Act 1985;
 - (c) he becomes bankrupt or insolvent or enters into any arrangements with his creditors;
 - (d) he becomes of unsound mind;
 - (e) he is removed from office by a resolution duly passed under Section 303 of the Companies Act 1985;
 - (f) he is prohibited from being a director by any order made under Sections 296 to 300 of the Companies Act 1985.

REMUNERATION OF DIRECTORS

- 76 The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

- 77 The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

- 78 Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company.
- 79 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested; and
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested;
 - (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.
- 80 For the purposes of regulation 79:-
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
 - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

- 81 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including spouse or former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

- 82 Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.
- 83 The quorum for the transaction of the business of the directors shall be such number which represents at least half in number of the directors from time to time.

- 84 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number.
- 85 The directors may at the board meeting convened and held immediately after the annual general meeting in each year appoint one of their number to be the chairman of the board of directors for a period of twelve months during which time the chairman so appointed cannot be removed by the other directors from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present but if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 86 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 87 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.
- 88 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 89 The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
- 90 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 91 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.
- 92 Subject to the provisions of Section 317 of the Companies Act 1985 a director may contract with the company and participate in the profits of any contracts or arrangements as if he were not a director. A director shall also be capable of voting in respect of such contracts or arrangements, where he has previously disclosed his interest to the company, or in respect of his appointment to any office or place of profit under the company, or in respect of the terms thereof and may be counted in the quorum at any meeting at which any such matter is considered.
- 93 Any director or member of any committee may participate in a meeting of the directors or of such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting. Regulations 82 to 86 shall be construed accordingly.

BORROWING POWERS OF THE DIRECTORS

- 94 The directors of the company may exercise all the powers of the company to borrow money, whether in excess of the nominal amount of the share capital of the company for the time being issued or not and to mortgage or charge its undertaking, property or uncalled capital, or any part

thereof and subject to Section 80 of the Companies Act 1985 to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

SECRETARY

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

MINUTES

- 96 The directors shall cause minutes to be made in books kept for the purpose:-
- (a) of all appointments of officers made by the directors;
 - (b) of all proceedings at meetings of the company, of the holders of any class of shares in the company, and of the directors, and of committees of directors including the names of the directors present at each such meeting.

THE SEAL

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

DIVIDENDS

- 98 Subject to the provisions of the Act the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
- 99 Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors must pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
- 100 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 101 A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

- 102 Any dividend or other monies payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that person who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other monies payable in respect of the share.
- 103 No dividend or other monies payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.
- 104 Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.

ACCOUNTS

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

CAPITALISATION OF PROFITS

- 106 The directors may with the authority of an ordinary resolution of the company:-
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be issued to members credited as fully paid;
 - (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming, distributable under this regulation in fractions; and
 - (d) authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

- 107 Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 108 The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder

whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

- 109 A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 110 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been given to the person from whom he derives his title.
- 111 Proof that the envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
- 112 A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner, authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied by them for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

WINDING UP

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

INDEMNITY

- 114 Subject to the provisions of the Act but without prejudice to any indemnity to which the director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the funds and assets of the company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto and against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.