

No 02731026

THE COMPANIES ACT 2006

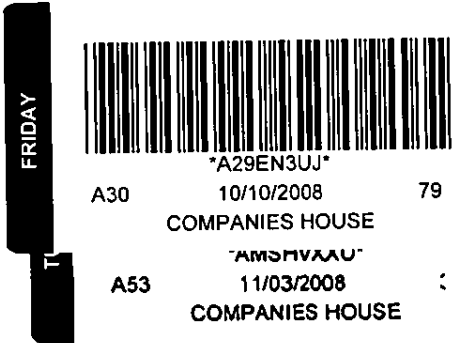
COMPANY LIMITED BY SHARES

RESOLUTION

-of-

ST. MARTIN'S MAGAZINES PLC

(Passed 21 February 2008)



At a General Meeting of the above-named Company, duly convened and held at 10 Snow Hill, London EC1A 2AL on 21 February 2008 at 11:30 a.m. the following resolution was passed as a Special Resolution

SPECIAL RESOLUTION

THAT:

- (a) each of the 7,633,944 authorised but unissued ordinary shares of £1 each be and hereby is subdivided into 10 ordinary shares of 10 pence each,
- (b) each of the 2,356,056 issued ordinary shares of £1 each in the capital of the Company, be and is hereby subdivided into one ordinary share of 10 pence and one deferred share of 90 pence, such shares to have the rights and be subject to the conditions contained in the Articles of Association of the Company as amended by paragraph (c) of this resolution, and
- (c) pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be altered by.

(i) inserting the following definition to Article 1:

"Deferred Shares" deferred shares of 90p each in the capital of the Company having the rights set out in Article 138

(ii) deleting the present Article 3 and substituting the following new Article 3 therefor

3 "The authorised share capital of the Company is £10,000,000 divided into 78,695,496 ordinary shares of 10 pence each ("ordinary shares"), 1,000,000 "A" ordinary shares of 1 penny each (" 'A' ordinary shares"), and 2,356,056 Deferred Shares of 90 pence each. The ordinary shares and the "A" ordinary shares shall rank *pari passu* (subject to the amounts credited as paid up on each share) in all respects save that on a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company) capital shall be distributed in accordance with article 139."

(iii) inserting the following as Article 138

"DEFERRED SHARES

138. The rights attaching to the Deferred Shares shall be as follows -

- (i) the holders of Deferred Shares shall have no right to receive notice of, or to attend or vote at, any general meeting of the Company;
- (ii) the holders of Deferred Shares shall have no right to receive any dividend or other distribution,
- (iii) the holders of the Deferred Shares shall, on a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company) but not otherwise, be entitled to receive, in the proportions set out in Article 139, only the amount credited as paid up on each such share and the holders of Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company." and

(iv) inserting the following as Article 139

"CAPITAL DISTRIBUTIONS

139. On a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company), capital shall first be distributed *pari passu* in the ratio 1:10 9 between the Ordinary, A Ordinary and Deferred Shares respectively until each of the holders of the Ordinary Shares shall have received the sum of 10 pence in respect of such share. If any surplus remains thereafter, the A Ordinary Shares shall be entitled to participate in such surplus as if the A Ordinary Shares were Ordinary Shares


Company Secretary

Company No: 2731026

THE COMPANIES ACTS 1985 AND 1989

Public Company Limited by Shares

NEW

ARTICLES OF ASSOCIATION

OF

ST MARTIN'S MAGAZINES PLC

**(Adopted by Special Resolution passed on 17 December 1992
and amended by Special Resolution passed on 21 / 2 / 2008)**

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THE COMPANIES ACTS 1995 AND 1989

Public Company Limited by Shares

ARTICLES OF ASSOCIATION
of
ST MARTIN'S MAGAZINES PLC

PRELIMINARY

1. In these Articles unless there be something in the subject or context inconsistent therewith.

"The Act"	means the Companies Act 1985
"These Articles"	means these Articles of Association or other Articles of Association of the Company for the time being in force
"Deferred Shares"	deferred shares of 90p each in the capital of the Company having the rights set out in Article 138
"Month"	means calendar month
"Office"	means the registered office of the Company for the time being
"Paid"	means paid or credited as paid
"Seal"	means the Common Seal of the Company.
"Securities Seal"	means an official seal kept by the Company by virtue of Section 40 of the Act
"The Statutes"	means the Act and every other statute for the time being in force concerning companies and affecting the Company
"Transfer Office"	means the place where the Register of Members is situate for the time being
"The United Kingdom"	means Great Britain and Northern Ireland.
"Year"	means calendar year

"In writing or written" includes printing, lithography and other modes of representing and reproducing words in a visible form.

The words "debenture" and "debenture holder" respectively include "debenture stock" and "debenture stockholder".

The words "recognised clearing house" and "recognised investment exchange" mean any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services Act 1986

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

All such of the provisions of the Articles as are applicable to paid-up shares apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular include the plural and vice versa. Words denoting the masculine gender include the feminine gender Words importing persons include corporations.

References to any statute or statutory provisions shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in the Act shall unless the context otherwise requires, have the same meanings in these Articles

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles

2. None of the regulations contained in Table "A" in the Schedule to the Companies (Tables A to F) Regulations 1985 shall apply to the Company except so far as embodied in any of the following Articles

SHARE CAPITAL

3. The authorised share capital of the Company is £10,000,000 divided into 78,695,496 ordinary shares of 10 pence each ("ordinary shares"), 1,000,000 "A" ordinary shares of 1 penny each (" 'A' ordinary shares"), and 2,356,056 Deferred Shares of 90 pence each. The ordinary shares and the "A" ordinary shares shall rank *pari passu* (subject to the amounts credited as paid up on each share) in all respects save that on a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company) capital shall be distributed in accordance with article 139
4. Without prejudice to any rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with or have attached to it such preferred, deferred or other rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by resolution determine (or, in the absence of any such determination or so far as the resolution does not make specific provision, as the Directors may determine) and subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed

5. Subject to the authority of the Company in General Meeting required by the Statutes the Directors shall have unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any shares (including unissued shares) of the Company to such persons, at such times and on such terms as the Directors think proper
6. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted, The Company may also on any issue of shares pay such brokerage as may be lawful.
7. The Directors may at any time after the allotment of any share, but before any person has been entered in the Register of Members as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.
8. Save as herein otherwise provided or as otherwise required by law the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction or required by law, be bound to recognise any equitable, contingent, future, partial or other claim to or interest in any share on the part of any other person
9. The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares not being fully-paid shares or if the instrument of transfer is in respect of more than one class of shares. The Directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the Directors refuse to register an allotment or transfer they shall within two months after the date on which the letter of allotment or transfer was lodged with the Company send to the allottee or transferee notice of the refusal.

VARIATION OF RIGHTS

10. If at any time the capital of the Company is divided into different classes of shares, the rights and privileges attached to any class may, subject to the provisions of the Statutes, be varied (a) with the consent in writing of the holders of three-fourths of the nominal amount of the issued shares of the class, or (b) with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied either whilst the Company is a going concern or during or in contemplation of a winding-up. All the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall apply as nearly as possible to every such separate General Meeting, except that the necessary quorum shall be a person or persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him and that at any adjourned meeting of the holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum. The foregoing provisions of this Article shall apply to the variation of the rights and privileges attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights and privileges whereof are to be varied.
11. The creation or issue of shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* with but in no respect in priority to the shares of any class shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be a variation of the rights of such shares.

ALTERATION OF SHARE CAPITAL

12. 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. All new shares shall be subject to the provisions of the Statutes and of these Articles.
13. The Company may by Ordinary Resolution:
- (i) Consolidate and divide its shares, or any of them, into shares of a larger amount;
 - (ii) Sub-divide its shares, or any of them, into shares of a smaller amount (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares may, as compared with the others, have such preferred, deferred or other rights, or be subject to such restrictions, as the Company has power to attach to shares upon the allotment thereof
 - (iii) Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Directors may deal with the fractions as they think fit and in particular may sell the shares representing the fractions to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members and the Directors may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered 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 relating to the sale
14. Subject to the provisions of the Statutes, and to any rights conferred on the holders of any class of shares, the Company may purchase its own shares (including any redeemable shares). Every contract for the purchase by the Company of, or under which it may become entitled or obliged to purchase, its own shares shall, in addition to such authorisation as may be required by the Statutes, be sanctioned by an Extraordinary Resolution passed at a separate General Meeting of the holders of each class of shares entitling the holders thereof, either immediately or at any time later on, to convert such shares into ordinary shares in the capital of the Company. Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.
15. The Company may, by Special Resolution, reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any authorisation and consent required by law. The Company may by Ordinary Resolution cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled.

CERTIFICATES

16. Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) or in such other manner as the Directors having regard to the terms of issue and any listing requirements may authorise or as a deed and shall specify the number and class and the distinguishing numbers (if any) of shares in respect of which it is issued and the amount

paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange.

17. The Company shall not be bound to issue more than one certificate in respect of a share registered in the names of two or more persons and delivery of a certificate to the person first named in the Register of Members shall be sufficient delivery to all
18. Any person (subject as aforesaid) whose name is entered in the Register of Members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor in the case of issue within one month or such longer period as the terms of issue shall provide after allotment or in the case of a transfer of fully-paid shares within fourteen days after lodgment of a transfer or in the case of a transfer of partly-paid shares within two months after lodgment of a transfer
19. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued without charge. Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge. If any member shall require additional share certificates representing shares held by him the Directors may, if they think fit, comply with such request.
20. If any certificate be worn out or defaced then upon delivery thereof to the Directors they may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost, stolen or destroyed then, upon proof thereof to the satisfaction of the Directors and on such indemnity with or without security as the Directors deem adequate being given and the payment of any exceptional out of pocket expenses of the Company in connection therewith, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

CALLS ON SHARES

21. The Directors may (subject to the terms of allotment thereof) from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) and each member shall (subject to receiving at least fourteen days' notice specifying the time and place of payment) pay to the Company at the time and place so specified the amount called on his shares. A person upon whom a call is made shall remain liable for all calls made upon him notwithstanding the subsequent transfer of shares in respect of which the call was made
22. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed, may be made payable by instalments and may be revoked or postponed as the Directors may determine. Joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
23. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at such rate as the Directors may decide, from the time appointed for payment thereof until the actual payment thereof, and shall not receive any dividend in respect of the amount unpaid. The Directors shall be at liberty to waive payment of the interest in whole or in part.
24. The Directors may if they think fit receive from any member willing to advance the same all

or any part of the money (whether on account of the nominal value of the shares or by way of premium) unpaid upon the shares held by him beyond the sums actually called up and such payment in advance of calls shall extinguish the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate as the member paying such sum and the Directors may agree.

25. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.
26. Any sum which by the terms of allotment of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, or as an instalment of a call shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified

FORFEITURE AND LIEN

27. If a member fails to pay in full any call or instalment of a call on or before the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment
28. The notice shall name a day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares in respect of which the call has been made or instalment is payable will be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all calls, instalments and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared and other monies payable in respect of the forfeited share and, not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder and in such case references in these Articles to forfeiture shall include surrender. When any share has been forfeited notice of the forfeiture shall be served upon the person who was before the forfeiture the holder of the share but no forfeiture shall be invalidated by any omission or neglect to give the notice.
30. When any share has been so forfeited or surrendered it shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be annulled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid.
31. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares and shall surrender to the Company for cancellation the certificate for the forfeited shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently

payable by him to the Company in respect of the shares with interest thereon at the appropriate rate aforesaid from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or waive payment in whole or in part

32. The Company shall have a first and paramount lien on every share, other than a fully-paid share, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article
33. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law
34. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount in respect whereof the lien exists so far as the same is then 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 sums 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. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser
35. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall 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 relating to the forfeiture, surrender, sale, re-allotment or disposal of the share

TRANSFER OF SHARES

36. (i) The instrument of transfer of any share in the Company shall be in the usual common form or in such other form as shall be approved by the Directors, and shall be signed by or on behalf of the transferor and (in the case of a transfer of a partly paid share) by the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof, and when registered the instrument of transfer shall be retained by the Company
- (ii) Nothing in these Articles shall prevent title to any securities of the Company from being evidenced and transferred without a written instrument in accordance with the provisions of the Statutes and the Directors shall have the power to implement such procedures as they may think fit and as may accord with such legislation for recording and transferring title to such securities and for the regulation of those procedures and the persons responsible for or

involved in their operation

37. Subject to Article 36, every instrument of transfer must be lodged at the Transfer Office, or at such other place as the Directors may from time to time determine, to be registered, accompanied by the certificate of the shares comprised therein (save as otherwise provided herein), and such evidence as the Directors may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf the authority of that person so to do and thereupon the Directors, subject to the power vested in them by Article 9, shall register the transferee as the holder. In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question
8. No fee will be charged by the Company in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares
39. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares provided that the Register of Members shall not be closed for more than thirty days in any year
40. All instruments of transfer which are registered shall, subject to Article 45, be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in the case of fraud) be returned to the person depositing the same within two months after the date on which the instrument of transfer was lodged
- 40(A) Notwithstanding any other provisions of these Articles, for the duration of the "relevant period" ("the relevant period") referred to in Section 293(8) of the Income and Corporation Taxes Act 1988 ("Taxes Act") no share or any interest therein shall be sold or transferred if, as a result of such sale or transfer, the Company would be under the control (as defined in Section 416 of the Taxes Act) of another company (or of another company and any person connected with that other company) or would be a 51% subsidiary of another company, unless such sale or transfer shall have been approved by a Special Resolution of the Company.
- 40(B) Notwithstanding any other provisions of these Articles for the duration of the relevant period the Company shall not acquire any shares or any interest therein if, as a result of such acquisition, the Company would control (as defined in Section 416 of the Taxes Act) or, together with any person connected with it, control another company or have a 51% subsidiary, unless such acquisition shall have been approved by a Special Resolution of the Company, provided that the Company may without such approval as aforesaid acquire not less than 90% of the issued share capital of another company
- 40(C) Any sale, transfer, disposal or acquisition of any share or any interest in any share in contravention of the foregoing provisions shall be a nullity.

TRANSMISSION OF SHARES

41. The executors or administrators of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to shares held by him alone; but in the case of shares held by more than one person, the survivor or survivors only shall be recognised by the Company as being entitled to such shares; but nothing contained in these Articles shall release the estate of a deceased holder from any

liability in respect of any share held by him solely or jointly with other persons.

42. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the notice or transfer were a transfer executed by the said member.
43. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share. The Directors shall within two months after being supplied with evidence of proof of title to the share cause the entitlement of that person to be noted in the Register of Members.

UNTRACED SHAREHOLDERS

- 44 (1) The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission on death or bankruptcy or otherwise by operation of law if and provided that
- (a) for a period of twelve years prior to the date of the publication of the advertisements referred to in paragraph (b) below (or, if published on different dates, the first such date) no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the member or to the person entitled by transmission to the shares at his address on the Register of Members or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission and at least three cash dividends (whether interim or final) in respect of the shares in question have become payable and no dividend (whether interim or final) in respect of those shares has been claimed; and
 - (b) the Company shall on expiry of the said period of twelve years have inserted advertisements in both a leading London daily newspaper with national circulation and in a newspaper circulating in the area in which the address referred to in paragraph (a) above is located giving notice of its intention to sell the said shares, and
 - (c) during the said period of twelve years and the period of three months following the publication of the said advertisements the Company shall have received no communication from such member or person; and
 - (d) notice shall have been given to the Quotations Department of

The Stock Exchange in London of its intention to sell such shares.

- (ii) To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the transferee shall not be bound to see the application of the purchase monies and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time to time think fit.

DESTRUCTION OF DOCUMENTS

45. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration 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 and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate 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 - (i) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant, (ii) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; (iii) References herein to the destruction of any document include references to the disposal thereof in any manner.

GENERAL MEETINGS

46. Annual General Meetings shall be held at such time and place as may be determined by the Directors and in accordance with the requirements of the Act. All General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.
47. The Directors may, whenever they think fit, convene an Extraordinary General Meeting of the Company, 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 under this Article by requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.

48. An Annual General Meeting and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by not less than twenty-one days' notice in writing and any other Extraordinary General Meeting by not less than fourteen days' notice in writing. The notice period shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors, provided that a General Meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed, in the case of an Annual General Meeting by all the members entitled to attend and vote thereat, and in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.
49. Every notice calling a General Meeting shall specify the day, hour and place of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company. In the case of an Annual General Meeting, the notice shall also specify the meeting as such. In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.
50. The routine business of an Annual General Meeting shall be receiving and/or adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts, declaring dividends, appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise, re-appointing the retaining Auditors (unless they were last appointed otherwise than by the Company in General Meeting), and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.
51. The Chairman of the Directors shall preside as chairman at every General Meeting. If there be no such Chairman or if at any meeting he is not present within five minutes after the time appointed for the commencement of the meeting or not willing to act, the Directors present shall choose one of their number to be chairman of the meeting or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be chairman of the meeting.
52. No business other than the appointment of a Chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.
53. If within half an hour from the time appointed for the commencement of a General Meeting (or such longer time not exceeding one hour as the Chairman of the meeting may think fit) a quorum is not present, the meeting, if convened by or on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not specified) as the Chairman of the meeting may determine and in the latter case not less

than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the adjourned meeting two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

54. The Chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) to another time or place where it appears to him that (a) the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting (b) the conduct of persons present prevents or is likely to prevent the orderly continuation of business or (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted. The Chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time or sine die 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. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for twenty eight days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.
55. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
56. 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 clerical amendment to correct a patent error) may in any event be considered or voted upon.
57. At any General Meeting, a resolution put to the vote of the meeting shall be decided by a show of hands unless (before, or upon the declaration of the result of, the show of hands) a poll be duly demanded, in accordance with the provisions of these Articles, and unless a poll be so demanded and the demand is not withdrawn a declaration by the Chairman that the resolution has been carried, or carried 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 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.
58. In the case of an equality of votes the Chairman shall, both on a show of hands and at a poll, have a casting vote in addition to the votes to which he may be entitled as a member.
59. A poll may be demanded upon any question by the Chairman or by not less than five members present in person or by proxy and entitled to vote or by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting or by a member or members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
60. A valid instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, and for the purposes of the immediately preceding Article, a demand by a proxy for a member or other person entitled to vote shall be deemed to be a demand by that member or other person.
61. Subject to the provisions of the next succeeding Article hereof, if a poll is demanded as

aforesaid it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once, or after an interval or adjournment (but not more than thirty days after the date of the meeting or adjourned meeting at which the poll was demanded), and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn with the consent of the Chairman at any time before the close of the meeting or the taking of the poll, whichever is earlier. No notice need be given of a poll not taken immediately.

62. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
63. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTING

64. Subject to any special terms as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member present in person shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder.
65. If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, either personally or by proxy, the member whose name stands first on the Register of Members as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.
66. Where a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.
67. No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid or if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default for a period of twenty-eight days from such service in supplying to the Company the information thereby required. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification purporting to be under the said Section 212 which fails to establish the identities of those interested in the shares 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 shares.
68. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

69. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a member of the Company. The instrument appointing a proxy shall be in writing in the usual form or in any other form as shall be approved by the Directors and in the case of an individual shall be signed by the appointor or his attorney or in the case of a corporation shall be either given under its common seal or as a deed or signed on its behalf by an attorney or a duly authorised officer of the corporation. The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument or proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.
70. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Office or at such other place within the United Kingdom as is specified for that purpose in any instrument of proxy sent by the Company in relation to the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote and in default such instrument shall not be treated as valid. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No instrument of proxy shall be valid after the expiry of twelve months from the date of its execution.
71. The instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the Chairman of the meeting.
72. A vote given or poll demanded in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the instrument of proxy or the authority under which it was executed or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, or incapacity, revocation or transfer shall have been received at the Office or such other place as is specified for depositing the instrument of proxy before the time for holding the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.

CORPORATIONS ACTING BY REPRESENTATIVES

73. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such Corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

74. Unless and until otherwise determined by Ordinary Resolution of the Company the number of Directors shall not be less than two and not more than 20. The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors be less than the prescribed minimum the remaining Director or Directors shall forthwith appoint an additional Director or additional Directors to make up such minimum or shall convene a General Meeting of the Company for the purpose of making such appointment. If there be no Director or Directors able or willing to act then any two members may summon

a General Meeting for the purpose of appointing Directors

75. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to receive notice of and attend and speak at any General Meetings of the holders of any class of shares in the Company.
76. There shall be paid out of the funds of the Company by way of remuneration of directors who are not managing or executive directors appointed under Article 80 fees at such rates as the Directors may from time to time determine provided that such fees do not in the aggregate exceed such figure as the Company may in general meeting from time to time determine.
77. Any Director who holds any executive office (including for this purpose the office of Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine and either in addition to or in lieu of his remuneration as a Director.
78. The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors including any expenses incurred in attending Meetings of the Board or of committees of the Board or General Meetings.
79. The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is a subsidiary company of the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under such fund or scheme or otherwise).
80. The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment. The appointment of any Director to the office of Chairman or Chief Executive or Managing or Joint Managing or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.
81. The Directors may from time to time entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of and in substitution for all or any of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

RETIREMENT AND APPOINTMENT OF DIRECTORS

82. Any provision of the Statutes which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as a Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall not apply to the Company
83. The office of a Director shall be vacated
- (i) if he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
 - (ii) if he shall reach the age of 70 years unless the Directors resolve otherwise, or
 - (iii) if he shall become prohibited by law from acting as a Director, or
 - (iv) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act, or
 - (v) if an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs, or
 - (vi) if not having leave of absence from the Directors he or his alternate (if any) fail to attend the meetings of the Directors for twelve successive months unless prevented by illness, accident or other cause which may seem to the Directors to be sufficient and the Directors resolve that his office be vacated, or
 - (vii) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company, or
 - (viii) if he ceases to be a Director by virtue of the Act or is removed from office pursuant to these Articles.
84. A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.
85. No person shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven not more than twenty-eight days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected

86. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.
87. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles.

ALTERNATE DIRECTORS

88. Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director. An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally to perform all functions of his appointor as a Director and the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall act as an alternate for more than one Director, his voting rights shall be cumulative but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is for the time being temporarily unable to act through ill health or disability his signature shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

PROCEEDINGS OF DIRECTORS

89. (i) The Directors may meet together for the dispatch of business adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. A meeting of the Directors at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Directors. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. One Director may, and the Secretary shall at the request of a Director, at any time summon a meeting of the Directors.
- (ii) Notice of a meeting of Directors shall be deemed to be properly given to a

Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Directors that notices of meetings of Directors shall during his absence be sent in writing to him at an address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and if no request is made to the Directors it shall not be necessary to give notice of a meeting of Directors to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively.

- (iii) All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.
90. A resolution in writing signed by all the Directors shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.
91. (i) A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed by him) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof. The Directors may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company, or in favour of the payment of remuneration to the directors or officers of the other company.
- (ii) Save as herein provided, a Director shall not vote in respect of any contract, arrangement, transaction or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
 - (iii) Subject to the provisions of the Statutes, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- (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 benefit 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 contract, arrangement, transaction or other proposal concerning any offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof,
 - (d) any contract, arrangement, transaction or other 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 (together with persons connected with him within the meaning of Section 346 of the Act) does not own five per cent or more of such company, (as the same is interpreted in paragraph (i) of this Article);
 - (e) any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme or employees' share 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 contract for the benefit of employees of the Company or of any of its subsidiaries under which he benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
 - (g) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability
- (iv) If any question shall arise at any meeting as to the materiality of a Director's interest (other than an interest of the Chairman of the meeting) 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 interest of such Director has not been fairly disclosed.
- (v) If any question shall arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the Directors (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the Directors.
- (vi) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract 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 is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the Directors by a Director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract, provided that no such notice shall be effective unless either it is given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next Directors meeting after it is given.

- (vii) References in this Article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- (viii) A Director shall not vote on or be counted in the quorum in relation to any resolution of the Directors concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in that case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the settlement or variation of the terms or the terms or the termination of his own appointment or the appointment of another Director to an office or place of profit with a company in which the Company is interested and the Director seeking to vote or be counted in the quorum owns five per cent. or more of it.
- (ix) A company shall be deemed to be one in which a Director owns five per cent or more if and so long as (but only if and so long as) he is (either directly or indirectly) the holder of or beneficially interested in five per cent. or more of any class of the equity share capital of that company or of the voting rights available to members of that company. For the purpose of this paragraph of this Article there shall be disregarded any shares held by the Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his interest is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme in which he is interested only as a unit holder.
- (x) Where a company in which a Director owns five per cent or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (xi) 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.

- (xii) For the purpose of this Article an interest of a person who is for the purpose of the Act connected with a Director shall be treated as an interest of the Director and in relation to an alternate an interest of his appointor shall be treated as an interest of the alternate.
92. The Directors may elect from their number a Chairman and a Vice Chairman (or two or more Vice Chairmen) and determine the period for which each is to hold office. The Directors shall not elect the same person to take the role of Chairman and Chief Executive at the same time. If no Chairman or Vice Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Vice Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.
3. The Directors may delegate any of their powers or discretions to committees consisting of one or more Directors and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that (i) the number of co-opted members shall be less than one half of the total number of members of the committee and (ii) no resolution of the committee shall be effective unless a majority of the members of the committee present throughout the meeting are Directors.
94. All committees shall in the exercise of the powers delegated to them and in the transaction of business, conform to any mode of proceedings and regulations which may be prescribed by the Directors, and subject thereto may regulate their proceedings in the same manner as the Directors may do.
95. All acts done by any meeting of Directors, or of a committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified 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 or member of the committee and had been entitled to vote.

BORROWING POWERS

96. (i) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property (present and future) and uncalled capital, and, subject to the Statutes, 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. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount at any one time owing by the Group (being the Company and all of its subsidiaries), in respect of moneys borrowed exclusive of moneys borrowed by the Company or any of its subsidiaries from any other of such companies, shall not at any time, without the previous sanction of an Ordinary Resolution of the Company exceed a sum equal to three times the aggregate of:-

- (a) the nominal capital of the Company for the time being issued and paid up, and
- (b) the amounts standing to the credit of the consolidated reserves of the Company and its subsidiaries whether distributable or undistributable and including (without limitation) share premium account, capital redemption reserve and profit and loss account,

all as shown in a consolidation of the then latest audited balance sheets of the Company and each of its subsidiary companies but after -

- (1) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital, the share premium account and the capital redemption reserve fund of the Company since the date of its latest audited balance sheet;
- (2) excluding therefrom (i) any sums set aside for future taxation, (ii) amounts attributable to outside shareholders in subsidiaries;
- (3) deducting therefrom (i) an amount equal to any distribution by the Company out of profits earned prior to the date of its latest audited balance sheet and which have been declared, recommended or made since that date except so far as provided for in such balance sheet, (ii) goodwill and other intangible assets and (iii) any debit balances on profit and loss account

(ii) For the purposes of this Article "moneys borrowed" shall be deemed to include the following except in so far as otherwise taken into account:-

- (a) the nominal amount of any issued share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest whereof is not for the time being owned by any of the Company and its subsidiaries, or any body whether corporate or unincorporated and the payment or repayment whereof is the subject of a guarantee or indemnity by any of the Company and its subsidiaries,
- (b) the outstanding amount raised by acceptance by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any of the Company and its subsidiaries;
- (c) the principal amount of any debenture (whether secured or unsecured) of any of the Company and its subsidiaries owned otherwise than by any of the Company and its subsidiaries;
- (d) the principal amount of any preference share capital of any subsidiary owned otherwise than by any of the Company and its subsidiaries; and
- (e) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowing,

but shall be deemed not to include -

- (f) borrowings for the purposes of repaying the whole or any part of borrowings by any of the Company and its subsidiaries for the time

being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period, and

- (g) borrowings for the purpose of financing any contract in respect of which any part of the price receivable by any of the Company and its subsidiaries is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry by any other Governmental department fulfilling a similar function, to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured, and
 - (h) borrowings of an undertaking which became a subsidiary undertaking of the Company after the date as at which the last audited balance sheet was prepared, to the extent the amount of those borrowings does not exceed their amount immediately after it became such a subsidiary undertaking
- (iii) A report by the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of paragraph (a) of this Article be owing by the Company and its subsidiaries without such sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company
- (iv) When the aggregate amount of borrowings required to be taken into account for the purposes of this Article on any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either:-
- (a) at the rate of exchange prevailing on that day in London provided that all but not some only of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if thereby such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business)
- or where the repayment of such moneys is expressly covered by a forward purchase contract
- (b) at the rate of exchange specified therein
- (v) No debt incurred or security given in respect of moneys borrowed in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or would thereby be exceeded.

POWERS OF DIRECTORS

97. The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them may exercise all such powers, and do all such acts and things as may be exercised or done by the Company, and as are not by the Act or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to such directions (being not inconsistent with any regulations of these Articles or the provisions of the Statutes) as may

be given by the Company in General Meeting Provided that no direction given by the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if such direction had not been given, and the provisions contained in these Articles as to any specific power of the Directors shall not be deemed to abridge the general powers hereby given. No alteration of the Memorandum of Association or these Articles and no Special Resolution shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that resolution had not been passed

98. The Directors 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 any 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 Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors 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
99. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him
100. The Directors may from time to time elect a President of the Company (who need not be a Director of the Company) and may determine the period for which he shall hold office Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit. If such President is not a Director he shall be entitled to receive notice of and attend and speak, but not to vote, at all meetings of the Board of Directors.
101. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a branch register of members resident in such territory and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.
102. The Directors may draw, make, accept, or endorse, or authorise any other person or persons to draw, make, accept, or endorse any cheques, bills of exchange, promissory notes or other negotiable instruments, provided that every cheque, bill of exchange, promissory note or other negotiable instrument drawn, made or accepted shall be signed by such persons or person as the Directors may appoint for the purpose.
103. The Directors may exercise any power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

SECRETARY

104. The Secretary shall be appointed by the Directors on such terms and for such period as they

may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries.

SEALS

105. The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf. Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.
106. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

AUTHENTICATION OF DOCUMENTS

107. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Directors or any committee of the Directors, which is certified as aforesaid 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 proceedings at a duly constituted meeting.

RESERVES

108. The Directors may from time to time set aside, out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

DIVIDENDS AND OTHER PAYMENTS

109. Subject to the provisions of the Act, the Company may by Ordinary Resolution in accordance with the respective rights of the members declare dividends but no such dividend shall exceed the amount recommended by the Directors.

110. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit. If 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 in consequence of the payment of an interim dividend on any shares having non preferred or deferred rights.
111. Subject to the rights attached to any shares or the terms of issue thereof, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends may be declared or paid in any currency.
112. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.
113. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.
114. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
115. In case several persons are registered as joint holders of any share (or one entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share.
116. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that share. The Directors may retain the dividend payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
117. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.
118. All dividends, interest or other sums payable unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and shall revert to the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any

share into a separate account shall not constitute the Company a trustee thereof

119. Any General Meeting declaring a dividend may upon the recommendation of the Directors, by Ordinary Resolution direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company, and the Directors shall give effect to any such direction provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments may be made to any members upon the footing of the value so fixed, in order to adjust the rights of all parties and may vest any such assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors.
20. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby and payment of the cheque or warrant by the bank on which it is drawn shall constitute good discharge to the Company, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer
121. Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se of transferors and transferees of any such shares in respect of such dividend
122. The Directors may, if authorised by an Ordinary Resolution of the Company, offer any holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend specified by the Ordinary Resolution. The following provisions shall apply -
- (i) An Ordinary Resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the Annual General Meeting next following the date of the meeting at which the Ordinary Resolution is passed.
 - (ii) The entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forego. 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 Stock Exchange as derived from the

Daily Official List, on the day on which the Ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the Ordinary Resolution. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the Auditors may rely on advice or information from brokers or other sources of information as they think fit.

- (iii) On or as soon as practicable after announcing that it is to declare or recommend any dividend, the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention, and shall, after determining the basis of allotment, if they decide to proceed with the offer, notify the holders of Ordinary Shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which elections must be lodged in order for elections to be effective.
 - (iv) The Directors shall not proceed with any election unless the Company has unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
 - (v) The Directors may exclude from any offer any holders of Ordinary Shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them.
 - (vi) 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 an election has been made ("the elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment calculated as stated. For such purpose the Directors shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution as the Directors may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis.
 - (vii) The additional Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully-paid Ordinary Shares then in issue except that they will not be entitled to participation in the relevant dividend.
 - (viii) The Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of Ordinary Shares may elect in respect of future rights to elect offered to that holder under this Article until the election mandate is revoked in accordance with the procedure.
123. The Company may cease to send any cheque or warrant through the post or employ any other means of payment 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 or that means of payment has failed but, subject to the provisions of these Articles, may recommence sending cheques or warrants or employing such means in respect of dividends payable on those shares if the holder or person entitled by transmission

requests such recommencement in writing.

CAPITALISATION

124. The Directors may, with the authority of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary Shares on the Register of Members at the close of business on the date of the resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary Shares and applying such sum on their behalf in paying up in full unissued Ordinary Shares (or, subject to any rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned) The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

ACCOUNTS

125. The Directors shall from time to time determine whether and to what extent and at what time and place, and under what conditions or regulations the accounting records of the Company, or any of them, shall be open to the inspection of the members, and no member shall have any right of inspecting any accounting record or other document of the Company except as conferred by statute or ordered by a Court of competent jurisdiction or authorised by the Directors or by the Company in General Meeting. The accounting records of the Company shall always be open for inspection by the officers of the Company.
126. A printed copy of every profit and loss account and balance sheet, including all documents required by law to be annexed to the balance sheet which is to be laid before the Company in General Meeting, together with copies of the Directors' and of the Auditors' reports shall not less than twenty-one clear days before the date of the meeting be sent to every member (whether he is or is not entitled to receive notices of General Meetings of the Company) and every holder of debentures of the Company (whether he is or is not so entitled) and to every other person being so entitled under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office

AUDITORS

127. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.
128. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to

receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor

NOTICES

129. Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding. Any notice or other document may be served or delivered by the Company by reference to the register as it stands at any time not more than 15 days before the date of service or delivery, no change in the register after that time shall invalidate that service or delivery.
130. Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.
131. A person entitled to a share in consequence of the death or bankruptcy of a member of otherwise by operation of law upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.
132. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.
133. 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 notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least one national daily newspaper with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto 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 seven days prior to the meeting the posting of notices to

addresses throughout the United Kingdom again becomes practicable.

134. Nothing in any of the preceding five Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

DIVISION OF ASSETS IN SPECIE AND WINDING UP

135. The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up
136. The Liquidator on any winding-up of the Company (whether voluntary, under supervision, or by the Court) may, with the authority of an Extraordinary Resolution and any other sanction required by the Statutes divide among the members in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability

INDEMNITY

137. The Company may purchase and maintain for any Director or other officer or auditor insurance against any liability. Subject to those provisions but without prejudice to any indemnity to which the person concerned may otherwise be entitled and subject to the provisions of and so far as may be consistent with the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company out of its assets against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

DEFERRED SHARES

138. The rights attaching to the Deferred Shares shall be as follows
- (i) the holders of Deferred Shares shall have no right to receive notice of, or to attend or vote at, any general meeting of the Company,
 - (ii) the holders of Deferred Shares shall have no right to receive any dividend or other distribution,
 - (iii) the holders of the Deferred Shares shall, on a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company) but not otherwise, be entitled to receive, in the proportions set out in Article 139, only the amount credited as paid up

on each such share and the holders of Deferred Shares shall not be entitled to any further participation in the assets or profits of the Company

CAPITAL DISTRIBUTIONS

139. On a capital distribution (including, without limitation, any voluntary or involuntary liquidation or winding up, or a restructuring or amalgamation of the Company), capital shall first be distributed *pari passu* in the ratio 1:10 9 between the Ordinary, A Ordinary and Deferred Shares respectively until each of the holders of the Ordinary Shares shall have received the sum of 10 pence in respect of such share. If any surplus remains thereafter, the A Ordinary Shares shall be entitled to participate in such surplus as if the A Ordinary Shares were Ordinary Shares.