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MEMORANDUM OF ASSOCIATION

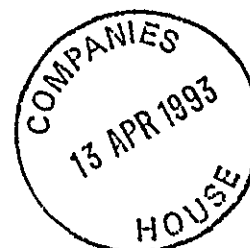
of

SIEGEL & STOCKMAN (HOLDINGS) LIMITED

CAMERON MARKBY HEWITT
Sceptre Court
40 Tower Hill
London EC3N 4BB

Tel: 071-702 2345
Fax: 071-702 2303

(BEI/31560)



MEMORANDUM OF ASSOCIATION

of

SIEGEL & STOCKMAN (HOLDINGS) LIMITED

1. The name of the Company is "Siegel & Stockman (Holdings) Limited"*.
2. The registered office of the Company shall be in England.
3. The objects for which the Company is established are:
 - 3.1 (a) To carry on business as importers, exporters, wholesalers, retailers, manufacturers, engineers, builders, developers, distributors and suppliers of any products, substances or materials of any nature; to act as financiers, designers, researchers, consultants; to provide services of any nature; and generally to carry any industrial, commercial, financial or other operations.
 - (b) To carry on the business of an investment and holding company and to invest and deal in shares, stocks, debentures and securities of any kind issued or guaranteed by any body of whatever nature and wheresoever constituted or carrying on business.
- 3.2 To carry on any other business whatsoever which can in the opinion of the directors be advantageously or conveniently carried on by the Company by way of extension of or in connection with any business which the Company is authorised to carry on, or which is calculated directly or indirectly to develop any business which the Company is authorised to carry on, or to increase the value of, or turn to account, any of the Company's assets, property or rights.
- 3.3 To pay preliminary expenses of the Company, and of any company formed or promoted by the Company.
- 3.4 To acquire the whole or any part of the business, property and liabilities of any company or person possessed of property suitable for the purposes of the company, or carrying on or proposing to carry on any business which the Company is authorised to carry on, or which can be carried on in conjunction therewith, or which is capable of being conducted so as directly or indirectly to benefit the Company, and to undertake and carry on or to liquidate and wind up any such business.

* Changed from "Zakros Limited" by Special Resolution dated 2nd April 1993.

- 3.5 To establish or promote, or concur in establishing or promoting, any company for the purposes of acquiring the whole or any part of the property, business or undertaking of the Company or for furthering any of the objects of the Company, and to acquire and hold any shares, stock, securities or debentures of, or other investments in, any such company and to issue, place, underwrite or guarantee, or concur in issuing, placing, underwriting or guaranteeing, the subscription for any shares, stock, securities or debentures of, or other investments in, any company whatsoever.
- 3.6 To acquire and hold any shares, stock, securities or debentures of, or other investments in, any company having objects wholly or in part similar to those of the Company or carrying on any business capable of being conducted so as directly or indirectly to benefit the Company.
- 3.7 To amalgamate with any other company whose objects include carrying on any business which the Company is authorised to carry on, and to re-construct the Company in any manner.
- 3.8 To sell, lease, grant licences, easements and other rights over and in any other manner dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as the directors may think fit.
- 3.9 To purchase, take on lease, exchange, hire or otherwise acquire for any estate or interest any real or personal property and any rights and privileges for any purpose in connection with any business which the Company is authorised to carry on.
- 3.10 To construct, maintain, alter, enlarge or replace any buildings, works, plant and machinery for any purpose in connection with any business which the Company is authorised to carry on.
- 3.11 To pay for any property rights or easements acquired by the Company either in cash or in exchange for any stock, shares, securities or debentures of, or other investments in, any company as the directors may think fit, and to accept any stock, shares, securities, debentures of, or other investments in, any company as the directors may think fit in payment or part payment of any obligation of any company.
- 3.12 To vest any real or personal property rights or interests acquired by or belonging to the Company in any company or person on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.
- 3.13 To apply for, take out, purchase or otherwise acquire and maintain any designs, trade marks, patent rights, inventions, copyrights or secret processes and any other intangible property and to use, exercise, develop, grant licences in respect of, or otherwise turn to account, any such property rights and information.

- 3.14 To receive money on deposit or loan (with or without allowance of interest) and to borrow, raise or secure the payment of money by mortgage, charge or lien, or by the issue of debentures or debenture stock (perpetual or otherwise) or in any other manner either with or without security, and to charge all or any of the property or assets of the Company (whether present or future including its uncalled capital) to support any obligation of the Company or any other company or person, and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- 3.15 To advance and lend money with or without security and to guarantee the performance of the contracts or obligations or repayment of capital, principal, dividends, interest or premiums payable on any stock, shares, securities or debentures of, or other investments in, any company or person and in particular (but without limiting the generality of the foregoing) of any company which is for the time being the Company's holding company (as defined is by section 736 Companies Act 1985) or another subsidiary (as defined by that section) of the Company's holding company and to give all kinds of indemnities.
- 3.16 To invest and turn to account any moneys in the acquisition or upon the security of any real or personal property of any kind, by placing the same on deposit or in any other manner.
- 3.17 To draw, make, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- 3.18 To surrender or claim group relief and make payments for group relief for the purposes of corporation or any other tax, and to surrender or claim or make payments in respect of any other like or similar relief, and to enter into and carry into effect any agreement for such purposes.
- 3.19 To enter into and carry into effect any agreement or arrangement for the sharing of profits, or for the conduct of any business of the Company in association with or through the agency of any other company or person, any joint adventure, or any other agreement of a like nature with any company or person.
- 3.20 To take all necessary or proper steps in parliament or with national, local, municipal or other authorities in any place in which the Company may have interests, for the purpose of furthering the interests of the Company or of its members; to oppose any steps taken by any other company or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members; and to procure the registration or incorporation of the Company in or under the laws of any place outside England.

4.

- 3.21 To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object, or for any purpose which in the opinion of the directors is likely directly or indirectly to further the objects of the Company or the interest of its members.
- 3.22 To grant pensions or gratuities to, and provide for the welfare of, any persons who are or at any time have been employees officers or directors of the Company or the predecessors in any business of the Company or of any company in which the Company is in any way interested, and the families, relations, connections or dependants of any such persons; and to establish or support associations, institutions, clubs, funds and trusts which may be considered likely to benefit any such persons or otherwise advance the interests of the Company or of its members; and to make payments towards insurances; to institute or contribute to pension schemes; and to establish and contribute to any scheme for the purchase by trustees of shares in the Company to be held for the benefit of the Company's employees; and to lend money to the Company's employees to enable them to purchase shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with its employees, including officers and directors.
- 3.23 To undertake and carry on the office and duties of trustee, custodian trustee, executor, administrator, liquidator, receiver, attorney or nominee of or for any company or person, scheme, trust fund, state and municipal government or other such body; to undertake and execute any trust or discretion, and to distribute amongst the beneficiaries, pensioners or other persons entitled thereto any income, capital or annuity in money or specie in furtherance of any trust.
- 3.24 To do all or any of the things and matters contained in this memorandum of association in any part of the world alone or in conjunction with others and as principal, agent, independent contractor, trustee, or otherwise.
- 3.25 To do all such other things as the directors may think incidental or conducive to any of the above objects.

The objects contained in any paragraph of this memorandum of association shall not be restrictively construed but shall be given the widest interpretation, and shall not be limited to or restricted by reference to, or inference from, any other object or by the name of the Company. No paragraph or object is, or shall be deemed to be, subsidiary or ancillary to the objects or powers mentioned in any other paragraph.

4. The liability of the members is limited.
5. The share capital of the Company is £100 divided into 100 ordinary shares of £1 each.

5.

We wish to be formed into a company pursuant to this memorandum of association and agree to take the number of shares set out below.

NAMES, ADDRESSES AND DESCRIPTIONS
OF SUBSCRIBERS

NUMBER OF SHARES TO BE
TAKEN BY EACH SUBSCRIBER

[SIMON MORRIS
For and on behalf of
CMH SHAREHOLDERS LIMITED
Sceptre Court
40 Tower Hill
London EC3N 4BB]

ONE

[SIMON MORRIS
for and on behalf of
CMH DIRECTORS LIMITED
Sceptre Court
40 Tower Hill
London EC3N 4BB]

ONE

Total shares taken

TWO

DATE:

199

Witness to the above signatures:

[F E Farrow
Sceptre Court
40 Tower Hill
London EC3N 4DB]

Solicitor

NEW ARTICLES OF ASSOCIATION

of

ZAKROS LIMITED

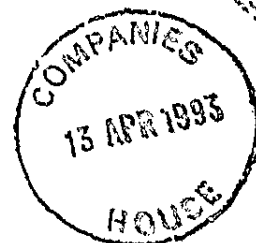
to be renamed

SIEGEL & STOCKMAN (HOLDINGS) LIMITED

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(BHH/AL/29580)



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28-04-93

THE COMPANIES ACTS 1985 TO 1989

NEW ARTICLES OF ASSOCIATION

of

ZAKROS LIMITED

(to be renamed Siegel & Stockman (Holdings) Limited)

(Registered Number: 2783235)

(adopted by Special Resolution on 2nd April 1993)

PART A

INTERPRETATION

1. (A) The Regulations in Table A as for the time being and from time to time prescribed by regulations made by the Secretary of State under the Act (as hereafter defined) shall not apply to the Company.
- (B) In these Articles:-
 - (i) headings are used for convenience only and shall not affect the construction hereof;
 - (ii) unless the context otherwise requires or does not so admit or save as otherwise provided herein, words and expressions contained herein shall bear the same meaning as in the Companies Act 1985 (as in force on the date on which these Articles become binding upon the Company);
 - (iii) in the event of there being any conflict between any provision contained in Part A of these Articles and any provision contained in Part B of these Articles, the provision contained in Part A shall prevail;
 - (iv) the following words and expressions shall have the following meanings:-

the Act:	the Companies Act 1985 and every statutory modification or re-enactment thereof and statutory instrument relevant thereto or derived therefrom for the time being in force
Associate:	the meaning ascribed thereto in Article 7(B)

these Articles: these Articles of Association as amended from time to time

Clear Days: in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect

Controlling Interest: the meaning ascribed thereto in Article 7(B)

the Directors: the directors for the time being of the Company as a body, or a quorum of the Directors present at a meeting of the Directors

Equity Shares: Ordinary Shares and A Ordinary Shares and the expression Equity Share Capital shall be construed accordingly

holder: in relation to shares means the person whose name is entered in the register of members as the holder of those shares

Investor Director: a director of the Company appointed pursuant to Article 3.5

Listing: the admission of all or any of the ordinary share capital of the Company to the Official List of The International Stock Exchange of the United Kingdom and the Republic of Ireland or the grant of permission for the same to be traded on the Unlisted Securities Market of such Stock Exchange or the admission of the same to, or the grant of permission by any like authority for the same to be traded on, any other equivalent or similar share market

Member: any holder for the time being of shares in the capital of the Company of whatever class

the Office: the registered office of the Company for the time being

Ordinary Shares: Ordinary Shares of 10p each in the capital of the Company having rights as set out in these Articles

A Ordinary Shares:	Cumulative Participating Preferred Ordinary Shares of 10p each in the capital of the Company having rights as set out in these Articles
the Seal:	the common seal of the Company
Secretary:	the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company, including a joint, assistant or deputy secretary
Shares:	(unless the context does not so admit) shares in the capital of the Company (of whatever class)
Take-over:	the acquisition by a Buyer (as defined in Article 7(B)) of a Controlling Interest or the sale or other disposal of the whole or substantially the whole of the undertaking of the Company (other than to a wholly owned subsidiary of the Company)
the United Kingdom:	Great Britain and Northern Ireland

(C) 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 or the Act.

SHARE CAPITAL

2. The authorised share capital of the Company at the date of adoption of these Articles is £10,362 divided into 54,400 Ordinary Shares and 49,220 A Ordinary Shares.

SHARE RIGHTS

3. The rights attaching to the respective classes of Shares shall be as follows:-

3.1 As regards income:

(A) In respect of any financial year of the Company the profits of the Company for the time being available for

distribution shall be applied in paying to the holders of the A Ordinary Shares as a class a cumulative cash dividend ("the Participating Dividend") of a sum (exclusive of the associated tax credit) equal to 23.5 per cent of the Adjusted Net Profit (as hereinafter defined) for the relevant financial year; the Participating Dividend shall be deemed to accrue from day to day throughout each financial year and shall become payable and be paid not more than six months after the end of the financial year to which it relates or not more than fourteen days after the Annual General Meeting at which the accounts of the Company for such financial year are laid before the Members of the Company, whichever is the earlier.

(B) Each Participating Dividend shall become due and payable on the respective dates referred to ipso facto and without any recommendation or resolution of the Directors or the Company in General Meeting (and notwithstanding anything to the contrary contained in these Articles). Each payment of any such dividend shall be accompanied by a certificate for the related tax credit.

(C) The Company shall procure that the profits of any subsidiary for the time being available for distribution shall be paid to it by way of dividend if and to the extent that, but for such payment, the Company would not itself otherwise have sufficient profits available for distribution to pay in full any Participating Dividend.

(D) If any Participating Dividend is not paid in full on or before the due date for payment of the same then, without prejudice to the respective rights of the holders of the relevant Shares, any amount not so paid shall be carried forward and become payable on the next date on which a Participating Dividend is payable in priority to the Participating Dividend payable on that date.

(E) The Company may not distribute any profits in respect of any financial year in addition to those referred to in paragraph (A) unless and until the Participating Dividend in respect of such year and, in addition, any arrears of all or any of the same have been paid in full. Subject thereto, any profits which the Company may determine to distribute in respect of any financial year shall be applied:-

(i) in paying to the holders of the Ordinary Shares a non-cumulative cash dividend for such year on each Ordinary Share of an amount up to but not exceeding the aggregate (cash) amount of the Participating Dividend paid on each A Ordinary Share in respect of such year;

(ii) and, as to any balance, amongst the holders of the A Ordinary Shares and the Ordinary Shares (pari passu as if the same constituted one class of share).

(F) The expression "Adjusted Net Profit" where used in paragraph (A) shall mean the net profit of the Company or, if the Company has any subsidiaries during the relevant financial year, the consolidated net profit of the Company and its subsidiaries for the relevant financial year as shown (to the nearest pound) in the audited profit and loss account of the Company or, if the Company has any subsidiaries as aforesaid a consolidation of the audited profit and loss accounts of the Company and its subsidiaries for such year subject (insofar as such adjustments shall not already have been made) to the following adjustments:-

- (i) if such accounts have not been prepared on the historical cost accounting basis, such adjustments as may be necessary to produce the same result as that which would have resulted if such accounts had been prepared on that basis;
- (ii) before taking into account any transfer or proposed transfer to general provisions;
- (iii) after taking into account any payment in respect of or provision for corporation tax (including advance corporation tax) (or other tax equivalent to corporation tax in the case of any overseas subsidiary) and any other tax (whether of the United Kingdom or otherwise) which may be imposed on or by reference to profits, gains, income or distributions;
- (iv) before taking into account any payment in respect of or provision for payment of any distributions;
- (v) before taking into account any transfer or proposed transfer to reserves; and
- (vi) before taking into account extraordinary items.

(G) In the event of any failure to agree the Adjusted Net Profit for a financial year, then the certificate of the Auditors of the Company or, in the event that the holders of a majority in number of the A Ordinary Shares shall so require, the certificate of such other firm of accountants as such holders shall nominate as to the amount of the Adjusted Net Profit shall be conclusive and binding on the Company and its Members. In so certifying the Auditors or such other firm of accountants shall:-

- (i) in any case where the report of the Auditors on any of the relevant accounts contains a qualification, be entitled to make, in addition to the adjustments referred to above, such further adjustments as they may in the circumstances consider appropriate; and

(ii) be deemed to be acting as experts not as arbitrators and the provisions of the Arbitration Acts 1950 to 1979 (as from time to time amended) shall not apply.

The charges of the Auditors or such other firm of accountants of providing any certificates pursuant hereto shall be borne by the Company.

3.2 As regards capital:

On a return of assets on liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied:-

(i) first in paying to the holders of the A Ordinary Shares an amount equal to the subscription price (inclusive of any premium) paid for such shares together with a sum equal to all arrears and accruals of Participating Dividends thereon to be calculated down to the payment date and to be payable irrespective of whether or not such dividend has been declared or earned;

(ii) next and subject thereto, in paying to the holders of the Ordinary Shares an amount equal to the subscription price (inclusive of any premium) paid for such shares;

(iii) and, subject thereto, the balance of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares and the A Ordinary Shares *pari passu* as if all such shares constituted one class of share.

3.3 As regards voting:

(A) Subject as provided in sub-paragraph (B) below, the Ordinary Shares and the A Ordinary Shares shall confer on the holders thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all General Meetings of the Company.

(B) If, at the date of the notice convening the meeting, any amount has fallen due for payment in respect of the subordinated loan made pursuant to a Subordinated Loan Agreement dated 2nd April 1993 and made between the Company and Baronsmead plc as agent for the Barclays Baronsmead Fund, but has not been paid in full, then until such amount has been so paid in full, each A Ordinary Share shall carry the right to exercise, on a poll, a number of votes determined by the following formula:

$$V = 1 + \frac{P}{N}$$

where:

- V = the number of votes per A Ordinary Share (which may include a fraction);
- P = the principal amount of the said subordinated loan which is then outstanding; and
- N = the number of A Ordinary Shares then in issue.

3.4 As regards class consents:

Except with such consent or sanction on the part of the holders of the A Ordinary Shares as is required for a variation of the special rights attached to such shares:-

(i) the Company shall not modify or vary the rights attaching to any class of shares in the Company;

(ii) the Company shall not pass any resolution for reducing its issued share capital or the amount (if any) for the time being standing to the credit of its share premium account or capital redemption reserve or for reducing any uncalled liability in respect of partly paid shares;

(iii) the Company shall not purchase or redeem any Shares;

(iv) the Company shall not make any distribution payment or return to Members of a capital nature including any distribution out of capital profits or capital reserves or out of profits or reserves or out of profits or reserves arising from a distribution of capital profits or capital reserves by a subsidiary of the Company;

(v) the Company shall not capitalise any undivided profits (whether or not the same are available for distribution and including profits standing to any reserve) or any sum standing to the credit of its share premium account or capital redemption reserve;

(vi) neither the Company nor any subsidiary of the Company shall issue or agree to issue any share capital otherwise than for cash;

(vii) neither the Company nor any subsidiary shall alter its Memorandum or Articles of Association or, in the case of any overseas subsidiary, its equivalent documents; and

(viii) no steps shall be taken to have the Company or any subsidiary wound up whether for the purposes of amalgamation or reconstruction or otherwise unless a registered insolvency practitioner shall have advised that such company is required to be wound up by reason of having become insolvent.

3.5 As regards appointment of directors:

(A) The holders of the A Ordinary Shares shall be entitled from time to time to appoint one person as a director of the Company and to remove any such person from office.

(B) Any such appointment or removal shall be made by notice in writing signed by or on behalf of the holders of not less than one half of the A Ordinary Shares for the relevant time being and served upon the Company at the Office.

(C) Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director pursuant to this Article may appoint such person as he thinks fit to be his alternate director.

SHARE TRANSFERS

4. The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee. The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

5. (A) The Directors may refuse to register the transfer of any Share:

(i) being a Share which is not fully paid, to a person of whom they do not approve;

(ii) on which the Company has a lien;

(iii) unless:-

(a) it is lodged at the Office or at such other place in England as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) it is in respect of only one class of Shares; and

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

(iv) if they have reasonable grounds for believing that such Share will or may be transferred to or become beneficially owned by a person carrying on business in competition with any business for the relevant time being carried on by the Company on any or its subsidiaries;

(v) to a person who is (or whom the Directors reasonably believe to be) under 18 years of age who does not have (or whom the Directors reasonably believe does not have) the legal capacity freely to dispose of any Share without let, hindrance or court approval.

(B) The Directors shall refuse to register the transfer of any Share, not being a transfer which is permitted under paragraph (D) below (a 'Permitted Transfer'), purported to be made other than in accordance with or as permitted under Article 6.

(C) If, in relation to a transfer of a Share, the transferor thereof is a party to any agreement between the Company and some or all of its Members (being an agreement additional to these Articles) then the Directors may:-

(i) require the transferee of such Share to enter into a written undertaking to be bound (to such extent as the Directors may reasonably stipulate) by the provisions of such agreement; and

(ii) decline to register the transfer of such Share unless and until the transferee has entered into such written undertaking.

(D) Subject to paragraphs (A) and (C) above and to Article 7, a Member may at any time transfer any Share:-

(i) if the Member is a company to any holding or subsidiary company of that Member or to any other subsidiary company of any such Member's holding company; or

(ii) to a person who is the beneficial owner of such Share or to a different or additional nominee or trustee on behalf of such beneficial owner Provided that such person has not become the beneficial owner thereof in circumstances where a Transfer Notice (as hereinafter defined) should have been but was not given; or

(iii) if the Member is an individual, to an Associate (within the meaning of paragraphs (a) and (b) of the definition of "Associate" contained in Article 7) of such Member; (Provided that in this case the Shares shall be retransferred within 7 days to the transferor if the transferee is not or shall cease to be an Associate of the transferor (as so defined) failing which a Mandatory Transfer Notice shall be deemed to have been served); or

(iv) if the transferor is either Baronsmead plc (or a nominee thereof) or a fund, partnership or company managed or advised by Baronsmead plc or a member of the same group as Baronsmead plc, to any fund, partnership or company (or a nominee thereof) managed or advised by Baronsmead plc or a member of the same group as Baronsmead plc, to any participant or partner or former partner in or member of any such fund, partnership or company (or a nominee thereof) or to Baronsmead plc itself; or

(vi) with the prior consent in writing of the holders of not less than 90 per cent. of the issued Equity Shares for the relevant time being;

and the definition of Permitted Transfer shall also include any such transfer of any option or other like right to acquire any Share.

6. (A) Except in the case of a Permitted Transfer, the right to transfer or otherwise dispose of a Share or any interest in or arising from a Share in the Company (an option or other like right to acquire any Share (whether by subscription or otherwise) being deemed to be an interest in a share for this purpose) shall be subject to the following restrictions and provisions, namely:-

(1) before transferring or disposing of any Share or any interest in or arising from any Share or any rights attaching thereto the person proposing to transfer or dispose of the same (a "Proposing Transferor") shall give a notice in writing (a "Transfer Notice") to the Company specifying the Shares, interest and/or rights of which the Proposing Transferor wishes to dispose. Notwithstanding that a Transfer Notice specifies that the Proposing Transferor wishes to dispose only of an interest in or arising from, and/or any right(s) attaching to, the Shares referred to therein, the Transfer Notice shall (regardless of any provisions in the Transfer Notice to the contrary) unconditionally constitute the Company the agent of the Proposing Transferor for the sale of all the legal title to, beneficial ownership of and all interests and rights

attaching to the Shares referred to therein (the "Sale Shares") at the Sale Price during the Prescribed Period (as those terms are hereinafter defined) in accordance with the provisions of this Article. A Transfer Notice shall not be revocable except with the consent of the Directors. Except in the case of any Transfer Notice which a Member is bound to give or is deemed to have given pursuant to this Article ("a Mandatory Transfer Notice"), a Transfer Notice may include a condition (a "Total Transfer Condition") that if all the Sale Shares (of whatever class) are not sold to Members and/or such other persons as are referred to in sub-paragraph (iv) below, then none shall be so sold. If a Total Transfer Condition is included then any offer of Sale Shares shall be made subject to sub-paragraph (vi) below. Shares of different classes may not be included in the same Transfer Notice (other than a Mandatory Transfer Notice).

(ii) Except in the case of a Mandatory Transfer Notice, if the Proposing Transferor is proposing to transfer all his legal title to, beneficial ownership of and all other interests and rights attaching to the Sale Shares the Transfer Notice may state, in addition to details of the Sale Shares, (a) the name or names of a person or persons (such person or persons being hereinafter referred to as "the Proposing Transferee") to whom the Sale Shares (or an interest or right therein or arising therefrom) are proposed to be transferred in the event that the Sale Shares are not acquired by Purchasers (as hereinafter defined) and (b) the entire consideration per share for which any such transfer or transfers will be made (and, if any of the said consideration is not a cash price expressed in pounds sterling a cash price per share which is so expressed and which is reasonably commensurate with the entire consideration) and in such event, subject to the Directors being satisfied (and to that end being provided with such evidence as they may reasonably require) that the price is a bona fide price (not inflated for particular reasons) agreed between the Proposing Transferor and the Proposing Transferee at arms length and in good faith, the said price shall be the Sale Price and the Prescribed Period shall commence on the date on which the Transfer Notice is given and shall expire three months thereafter.

(iii) In the case of a Mandatory Transfer Notice or a Transfer Notice which does not state the further details referred to in sub-paragraph (ii) above:-

(a) if not more than one month after the date on which the Transfer Notice was given or was deemed or required to be given the Proposing

Transferor and the Directors shall have agreed a price per Share as representing the fair value of the Sale Shares or as being acceptable to the Proposing Transferor and not more than the fair value thereof then such price shall be the Sale Price (subject to the deduction therefrom of any net dividend or other distribution declared or made after such agreement and prior to the said date) and the Prescribed Period shall commence on the date on which such agreement is reached and shall expire three months thereafter.

(b) otherwise upon the expiry of one month after the date on which the Transfer Notice was given (or the date on which the Company became aware that the same had been deemed or had become required to be given) the Directors shall request the Experts (as defined below) to determine and report the sum per Share considered by them to be the fair value of the Sale Shares and the sum per Share so determined and reported shall be the Sale Price and the Prescribed Period shall commence on the date on which the Experts shall so determine and report and shall expire three months thereafter. The Experts shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall be final. For the purposes of these Articles, the fair value of Sale Shares shall be the market value thereof as between a willing buyer and a willing seller but with no discount being made by reason of such Shares (if such be the case) constituting a minority holding. The "Experts" shall be such firm of Chartered Accountants as shall be agreed between the Directors and the Proposing Transferor or, in default of such agreement, such firm of Chartered Accountants as shall be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of either the Directors or the Proposing Transferor.

(iv) Sale Shares shall be dealt with in the following manner:-

(a) where and to the extent such Shares consist of A Ordinary Shares such Shares shall be offered in writing by the Company first to the holders for the time being of A Ordinary Shares (other than the Proposing Transferor) and next (if and insofar as not accepted following such offer) to the holders for the time being of Ordinary Shares (other than, if he is such a

holder, the Proposing Transferor) and next (if and insofar as not accepted following such further offer) to such person or persons (if any) as the Directors think fit; or

(b) where and to the extent such Shares consist of Ordinary Shares, such Shares shall be offered in writing by the Company first to the holders for the time being of Ordinary Shares other than the Proposing Transferor and next (if and insofar as not accepted following such offer) to the holders for the time being of A Ordinary Shares (other than, if he is such a holder, the Proposing Transferor) and next (if and insofar as not accepted following such further offer) to such person or persons (if any) as the Directors think fit.

(v) Any such offer as is required to be made by the Company pursuant to sub-paragraph (iv) above shall limit a time (not being less than 21 days or more than 30 days) after such offer is made within which it must be accepted or, in default will lapse. Following any such offer, if acceptances are received in respect of an aggregate number of Shares in excess of that offered, the number of Sale Shares shall be allocated amongst those who have accepted the same in proportion to the number of Shares of the relevant class held by each acceptor (or in the case of any such offer made to persons who are not already Members of the Company on such basis as the Directors shall determine) PROVIDED THAT no acceptor shall be obliged to acquire more Sale Shares than the number for which he has applied and so that the provisions of this sub-paragraph shall continue to apply mutatis mutandis until all Shares which any such acceptor would but for this proviso have acquired on the proportionate basis specified above have been allocated accordingly.

(vi) If a Transfer Notice shall validly contain a Total Transfer Condition then any such offer as aforesaid shall be conditional upon such condition being satisfied and no acceptance of an offer of Sale Shares will become effective unless such condition is satisfied.

(vii) If prior to the expiry of the Prescribed Period the Company shall, pursuant to the foregoing provisions, find Members or other persons (hereinafter called "Purchasers") to purchase some or (if sub-paragraph (vi) shall apply) all the Sale Shares and shall give notice in writing thereof to the Proposing Transferor he shall be bound, upon payment of the Sale Price, to transfer such Shares to the respective

Purchasers. Every such notice shall state the name and address of the Purchaser or Purchasers and the number of the Sale Shares agreed to be purchased by him or them and the purchase shall be completed at a place and time to be appointed by the Directors not being less than 3 days nor more than 10 days after the date of such notice.

(viii) If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser hereunder, the Directors shall authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser (who shall not be bound to see to the application thereof) and after the Purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

(ix) If by the foregoing procedure the Company shall not, prior to the expiry of the Prescribed Period, find Purchasers willing to purchase some or (if sub-paragraph (vi) shall apply) all the Sale Shares and shall give notice in writing thereof to the Proposing Transferor, the Proposing Transferor, at any time thereafter up to the expiration of two calendar months from the date of such notice, shall, subject as hereinafter provided, be at liberty to transfer those of the Sale Shares not purchased by Purchasers or all the Sale Shares (as the case may be) to the Proposing Transferee or, where the transfer notice is a Mandatory Transfer Notice or does not contain details of a Proposing Transferee, to any one person (or persons as joint holders) on a bona fide sale at any price not being less than the Sale Price. The Directors may require the Proposing Transferor to evidence to them (to their reasonable satisfaction) that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate, allowance or indulgent terms whatsoever to the purchaser thereof and if not so satisfied may refuse to register the instrument of transfer and/or serve a Disenfranchisement Notice with the effect set out in paragraph (F)(i)(b) below in respect of such Shares as shall have been so sold.

(B) No Share and no interest or right in or arising from any Share may be sold, transferred or otherwise disposed of to any person unless a transfer of such share or interest or right to such person would rank as a Permitted Transfer or as a transfer permitted pursuant to paragraph (A) of this

Article. If the foregoing provisions shall be infringed the holder of the Shares concerned shall, unless the Directors otherwise determine, be deemed to have given, on the date on which the Directors become aware of such infringement, a Mandatory Transfer Notice in respect of all Shares of which such person and any Associate(s) of such person is then the holder.

(C) If any person becomes entitled to Shares in consequence of the death, bankruptcy or liquidation of a Member then (unless the transfer to him ranks as a Permitted Transfer) a Mandatory Transfer Notice or Notices shall be deemed to have been given on the date on which the Directors became aware that such entitlement has arisen in respect of all Shares held by the Member and any Associate(s) of such Member.

(D) If at any time any director of, employee of or consultant to the Company or any subsidiary of the Company shall cease to be a director of, employee of or consultant to the Company or any such subsidiary (for whatever reason) and such person and/or any Associate(s) of such person shall be (a) Member(s) of the Company, then (unless the holders of not less than one half of the A Ordinary Shares resolve otherwise at the relevant time) there shall be deemed to have been given on the date of such cessation a Mandatory Transfer Notice in respect of all Shares then held by such person and any Associate(s) of such person.

(E) (i) If a corporation (not being any such corporation as is referred to in sub-paragraph (ii) below) which is a holder of any Share in the Company ceases to be controlled by the person or persons who were in control of the corporation at the time when the corporation became a Member of the Company, it shall, within seven days of such cessation of control, give notice in writing to the Company of that fact and there shall be deemed to have been given as from the date on which the Directors became aware of such cessation a Mandatory Transfer Notice in respect of all Shares held by such corporation and any Associate(s) of such corporation. For the purposes of this paragraph "control" shall carry the same meaning as in Section 840 of the Income and Corporation Taxes Act 1988.

(ii) The provisions of the immediately preceding sub-paragraph shall not apply to Baronsmead plc or any holding company for the time being of Baronsmead plc or any subsidiary of any such holding company.

(F) (i) For the purpose of ensuring that a transfer of Shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice is required or deemed to be given hereunder, the Directors may from time to time require any Member or the personal

representatives of any deceased Member or any person named as transferee in any transfer lodged for registration or any Associate of any of the foregoing to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled:

(a) to refuse to register the transfer in question or, in case no transfer is in question, to require by notice in writing that a Transfer Notice be given by the holders of the relevant Shares in respect of all such Shares. If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing require that a Transfer Notice be given or state that a Mandatory Transfer Notice shall be deemed to have been given by the holders of those Shares or their Associates in respect of all of such Shares; and/or

(b) to serve upon the holder(s) of the Shares in question a notice ("a Disenfranchisement Notice") stating that such Shares shall as from the date of service of such Disenfranchisement Notice on such holder no longer confer any right to attend, speak or vote at any general meeting of the Company or at any class meeting or to receive or be entitled to receive any dividend or other distribution until such time as the Directors shall think fit and, as from such date, such Shares shall no longer confer any such rights accordingly.

(ii) In any case where the Directors have duly required a Transfer Notice to be given in respect of any Shares or any one or more Members have become bound to give a Transfer Notice and such Transfer Notice is not duly given within a period of one calendar month a Mandatory Transfer Notice shall (except and to the extent that a Permitted Transfer of any of such Shares shall have been lodged) be deemed to have been given on such date after the expiration of the said period and the provisions of this Article relating to transfers shall apply accordingly.

(G) The provisions of this Article 6 shall take effect subject to the provisions of Article 7.

LIMITATION ON THE TRANSFER OF A CONTROLLING INTEREST

7. (A) Notwithstanding anything to the contrary contained in these Articles, no Buyer (as hereinafter defined) shall be entitled or permitted to acquire, and no holder shall transfer, any Shares if, as a result, a Buyer would acquire a Controlling Interest in the Company unless and until the Buyer has first made an offer to all the holders of all Shares in the Company at the relevant time (of whatever class) (other than the Buyer if he is already such a holder) to purchase from them for cash at the Prescribed Price (as hereinafter defined) per Share their entire holdings of Shares in the capital of the Company.
- (B) For the purposes of this Article:-
- (i) the expression "Buyer" means any one person (whether or not an existing Member of the Company) but so that any Associate of any such person shall be deemed to be such person;
 - (ii) the expression "acquire" means to be or become the legal or beneficial owner of Shares, whether directly or indirectly and whether by the issue, transfer, renunciation or conversion of shares or otherwise and whether all at one time or not;
 - (iii) the expression "Associate" means
 - (a) the husband, wife, mother, father, grandmother, grandfather, brother, sister, child (including adopted child) or other lineal descendant of any relevant person;
 - (b) the trustees of any settlement set up by any relevant person provided that only the relevant person, or such persons who are in a relationship referred to in (a) above to the relevant person are or are capable of being a beneficiary or beneficiaries thereof;
 - (c) any nominee of a relevant person;
 - (d) any subsidiary or holding company of any company or corporation which is for the time being a Member and any other subsidiary of any such holding company;
 - (e) any person with which any relevant person is connected, the question of whether such person is so connected falling to be determined for this purpose in accordance with the provisions of Section 839 of the Income and Corporation Taxes Act 1988; and

(f) any person with whom any relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Take-overs and Mergers as for the time being current);

(iv) the expression "a Controlling Interest" means Shares (or the right to exercise the votes attaching to Shares) which confer in the aggregate more than fifty per cent of the total voting rights conferred by all the Shares in the capital of the Company for the relevant time being in issue and conferring the right to vote at all general meetings;

(v) the aggregate amount of any such offer as is referred to in paragraph (A) of this Article shall be ascertained and such amount ("the Total Price") shall be applied as follows:

(a) first in paying to the holders of the A Ordinary Shares an amount equal to the highest subscription price (inclusive of any premium) paid for such shares together with a sum equal to all arrears and/or accruals of Participating Dividends thereon to be calculated down to the payment date and to be payable irrespective of whether or not such dividend has been declared or earned;

(b) next and subject thereto, in paying to the holders of the Ordinary Shares an amount per Ordinary Share equal to the amount payable per A Ordinary Share in accordance with sub-paragraph (a) above (excluding any arrears and/or accruals of Participating Dividends);

(c) and, subject thereto, the balance of the Total Price (if any) shall be divided amongst the holders of the Ordinary Shares and the A Ordinary Shares pari passu as if all such shares constituted one class of shares,

and the price for each Share determined in accordance with sub-paragraphs (a) to (c) above shall be "the Prescribed Price" for each such Share.

(vi) any such offer as is referred to in paragraph (A) of this Article (an "Offer") must be made in writing, must be open for acceptance for a period of not less than 30 days and must not be subject to any condition;

(vii) if within 120 days of the making of an Offer the Buyer has not acquired a Controlling Interest then such

Offer shall be deemed not to have been made to the extent that the Buyer shall not be entitled to acquire a Controlling Interest at any time thereafter unless and until he has made a further Offer.

(C) If a Buyer receives (within the period of 120 days referred to in sub-paragraph (B)(vii) above) acceptances of an Offer which will result in the Buyer owning not less than 80 per cent. of all the Shares in the capital of the Company for the relevant time being in issue then the Buyer may extend the Offer to the extent that, if within 30 days of the expiry of such period of 120 days, the Buyer gives written notice to those Members who have not accepted the Offer requiring them so to do, then each of such non-accepting Member shall upon the giving of such notice (i) be deemed to have accepted the same in respect of all Shares held by him in accordance with the terms of the Offer and (ii) become obliged to deliver up to the Buyer an executed transfer of such Shares and the certificate(s) in respect of the same.

(D) If any such non-accepting Member as is referred to in paragraph (C) shall not, within 14 days of becoming required to do so, execute transfers in respect of the Shares held by such Member, then the Directors shall be entitled to, and shall, authorise and instruct some person to execute the necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such Member) of the purchase moneys payable for the relevant Shares, deliver such transfer(s) to the Buyer (or its agents) and, after the Buyer (or its nominees) has been registered as the holder of such Shares, the validity of such proceedings shall not be questioned by such Member.

(E) All other regulations of the Company relating to the allotment, issue, conversion or transfer of Shares and, in the case of transfers, the right to registration of transfers shall be read subject to the provisions of this Article.

(F) For the purpose of ensuring:-

(i) that no Buyer has acquired or may acquire a Controlling Interest otherwise than as permitted by this Article (and to that end for the purpose of determining whether one person is an Associate of another); or

(ii) that a price offered or proposed to be offered for any Shares is the Prescribed Price;

the Directors may from time to time require any Member to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant for such purposes.

PART B

FURTHER PROVISIONS CONCERNING SHARES

8. Subject to the provisions of the Act, Shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by these Articles.

9. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other.

10. Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety thereof in the holder.

11. If the Directors refuse to register a transfer of a Share, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

12. The registration of transfers of Shares (of any class) may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may reasonably determine.

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

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

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

16. Subject 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 shall have the rights to which he would be entitled if he were the holder of the Share, except that he shall not, before being registered as the holder of the Share, be

entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of Shares.

SHARE CERTIFICATES

17. Every Member, upon becoming the holder of any Shares, shall be entitled without payment to one certificate for all the Shares of each class held by him within one month from the date of issue (or such longer period as the terms of issue shall provide) after allotment (and, upon transferring a part of his holding of Shares of any class, to a certificate for the balance of such holding within 14 days after lodgement of the transfer) or several certificates each for one or more of his Shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the Seal and shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

18. If a share certificate is defaced, worn-out, lost stolen or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

19. The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a Share shall extend to any amount payable in respect of it.

20. The Company may sell any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 Clear Days after notice in writing has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold. The provisions of Article 6 shall apply to any sale of Shares made by the Company pursuant to this Article.

21. To give effect to a sale as aforesaid the Directors may authorise some person to execute on behalf of the holder of the relevant Shares a Transfer Notice in respect of such Shares and an

instrument of transfer of such Shares in favour of the purchaser(s). As between the Company and the holder of the relevant Shares, the title of the transferee to Shares save as aforesaid shall not be affected by any irregularity in or invalidity of the proceedings in reference to such sale.

22. The net proceeds of such sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of such sale.

CALLS ON SHARES AND FORFEITURE

23. Subject to the terms of allotment, the Directors may make calls upon the Members in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each Member shall (subject to receiving at least 14 Clear Days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect whereof the call was made.

24. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

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

26. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it becomes due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the Directors may waive payment of the interest wholly or in part.

27. An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

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

29. If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than 14 Clear Days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any expense incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited. The Directors may accept a surrender of any Share liable to be forfeited hereunder.

30. If the Shares are not surrendered or if the notice is not complied with, any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

31. Subject to the provisions of the Act and these Articles, a forfeited or surrendered Share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture or surrender the holder or to any other person and at any time before sale, surrender, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where the Directors propose that a forfeited or surrendered Share should be transferred then the provisions of Article 6 shall apply and the Directors may authorise some person to execute a Transfer Notice in respect of the Share and an instrument of transfer of the Share to the transferee.

32. A person any of whose Shares have been forfeited or surrendered shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or surrender or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture or surrender until payment but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or surrender or for any consideration received on their disposal.

33. A statutory declaration by a director or the Secretary that a Share has been forfeited or surrendered or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share. The declaration and the receipt of the Company for the consideration (if any) given for the Share on the sale re-allotment or disposal thereof shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and

the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor, subject to compliance by the Directors with Article 6, shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the Share.

ALTERATION OF SHARE CAPITAL

34. Subject as set out in the Act or these Articles the Company may by Ordinary Resolution:-

- (a) increase its share capital by the creation of new Shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
- (c) sub-divide its Shares, or any of them, into Shares of smaller amount and the resolution may determine that, as between the Shares resulting from the sub-division, any of them may have any preference, or special right or advantage or subject to any such restriction as compared with the others; and
- (d) cancel Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken, by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

35. Whenever, as a result of a consolidation of Shares any Members would become entitled to fractions of a Share, the Directors may, on behalf of those Members, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Members. The provisions of Article 6 shall apply to any such sale and the Directors may authorise some person to execute a Transfer Notice and an instrument of transfer of the Shares in favour of, the purchaser(s). The transferee shall not be bound to see to the application of the purchase money nor, subject to compliance by the Directors with Article 6, shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

36. Subject to the provisions of the Act or these Articles, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium or other undistributable reserve account in any way.

PURCHASE OF OWN SHARES

37. Subject to the provisions of the Act or these Articles, the Company may purchase its own Shares (including any redeemable Shares) and, whilst remaining a private company, make a payment in respect of the redemption or purchase of its own Shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

GENERAL MEETINGS

38. All general meetings other than annual general meetings shall be called extraordinary general meetings.

39. The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed with proper expedition to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any director or any Member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

40. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed:-

- (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than 95 per cent in nominal value of the Shares giving that right.

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

Subject to the provisions of these Articles and to any restrictions imposed on any Shares, the notice shall be given to all the Members entitled to receive such notices, to all persons entitled to a Share in consequence of the death or bankruptcy of a Member and to the Directors and Auditors.

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

PROCEEDINGS AT GENERAL MEETINGS

42. No business other than the appointment of a chairman shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.
43. If such a quorum is not present within half an hour from the time appointed for the meeting (or such longer interval as the chairman of the meeting may think fit to allow) or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine.
44. The chairman, if any, of the board of Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
45. If no Director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
46. A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
47. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
48. A resolution put to the vote of a meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-
- (a) by the chairman; or
 - (b) by at least two Members having the right to vote at the meeting; or

(c) by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or

(d) by a Member or Members holding shares 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 the right;

and a demand by a person as proxy for a Member shall be the same as a demand by the Member.

49. Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

50. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

51. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

52. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

53. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

54. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

55. A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

VOTES OF MEMBERS

56. Subject to any rights or restrictions as to voting attached to any Shares and in particular to the provisions of Article 3.3, on a show of hands every Member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a Member entitled to vote, and every person present as a proxy (who need not be a Member of the Company) for a Member or Members shall have one vote and on a poll every Member shall have one vote for every Share of which he is the holder.

57. In the case of joint holders of a Share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of Members in respect of the Share.

58. A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonus or other person authorised in that behalf appointed by that court, and any such receiver, curator bonus or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

59. No Member shall vote at any general meeting or at any separate meeting of the holders of any class of Shares in the Company, either in person or by proxy, in respect of any Share held by him unless all moneys presently payable by him in respect of that Share have been paid.

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

61. On a show of hands or a poll, votes may be given either personally or by proxy. A Member may appoint more than one proxy to attend on the same occasion and a Member entitled to more than one vote need not use all his votes or cast all his votes used in the same way. An 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.

62. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor (in the case of a corporation the instrument shall be under the common seal or signed by its duly authorised officer) and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):-

" [Limited][PLC]
I/We, , of , being a
Member/Members of the above-named company, hereby appoint
of
, or failing him,
of , as my/our proxy to vote in my/our name[s] and on
my/our behalf at the annual/extraordinary general meeting of the
Company to be held on 19 , and at
any adjournment thereof.
Signed this day of 19 ."

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

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

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

Resolution No. 1 *for *against
Resolution No. 2 *for *against

*Strike out whichever is not desired.

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

Signed this day of 19 ."

64. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors shall:-

(a) be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director;

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

65. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. The instrument shall, unless the contrary is stated thereon, be valid for any adjournment of the meeting as well as for the meeting to which it relates. Provided that an instrument of proxy relating to more than one meeting (including adjournments thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for any purpose of any subsequent meeting to which it relates.

NUMBER OF DIRECTORS

66. Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

ALTERNATE DIRECTORS

67. Any Director (other than an alternate director) may appoint by notice in writing to the Company any other director of the Company, or any other person approved by resolution of the Directors and willing to act, (such notice of appointment to be deposited at the Office) to be an alternate director and may remove from office any alternate director so appointed by him. An alternate director shall not be required to hold any shares of the Company by way of qualification.

68. An alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a Member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

69. Every person acting as an alternate director shall have one vote for every Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate director to any resolution in writing of the Directors or a committee of the Directors, provided his appointor is a Member of such committee, shall (unless the notice of his appointment provides to the contrary) be as effective as the signature of his appointor.

70. An alternate director shall ipso facto cease to be an alternate director if his appointor ceases to be a director.

71. Any appointment or removal of an alternate director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.

72. Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

POWERS OF DIRECTORS

73. Subject to the provisions of the Act, the Company's Memorandum of Association and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum of Association or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation

shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

74. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

75. The Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may at any time be revoked, withdrawn, varied or altered. Subject to any such conditions, the proceedings of a committee with two or more Members shall be governed by the provisions of these Articles regulating the proceedings of Directors so far as they are capable of applying.

APPOINTMENT AND RETIREMENT OF DIRECTORS

76. The Directors shall have power at any time, and from time to time, to appoint any person (willing to act) to be a director, either to fill a casual vacancy or as an addition to the existing Directors.

77. The Company may by Ordinary Resolution appoint a person willing to act to be a director either to fill a vacancy or as an additional director.

78. No Director shall be required to vacate his office as a director, nor shall any person be ineligible for appointment as a director, by reason of his having attained any particular age.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

79. The office of a Director shall be vacated if:-

(a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or

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

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

(i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

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

(d) he resigns his office by notice in writing to the Company; or

(e) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or

(f) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

REMUNERATION OF DIRECTORS

80. The Directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day and shall be divisible among the Directors as they agree, or, failing agreement, equally.

DIRECTORS' EXPENSES

81. The Directors (including alternate directors) may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

82. Subject to the provisions of the Act, the Directors may appoint one or more of their number to the office of managing director or to any other executive office with the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director.

Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a Director for an executive office shall terminate if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the Director and the Company.

83. Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

84. For the purpose of the immediately preceding Article:-

- (a) a general notice given to the Directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

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

PROCEEDINGS OF DIRECTORS

86. Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have no second or casting vote.

87. The quorum for the transaction of the business of the Directors shall not be less than two of whom one must be an Investor Director (or his alternate) unless there is no Investor Director in office at the relevant time. Subject thereto, such quorum may be fixed by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

88. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

89. The Directors may appoint one of their number to be the chairman of the Board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

90. All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid (as regards all persons dealing in good faith with the Company) as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

91. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several

documents in the like form each signed by one or more Directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

92. (A) Save as otherwise provided by these Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:-

(i) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;

(ii) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of any debt or obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

(iii) his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the company or any of its subsidiaries for subscription, purchase or exchange;

(iv) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

(B) For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

A director shall be regarded as having an interest which is material and which conflicts with the interests of the Company in any matter relating to the proposed transfer by such director and/or any Associate(s) of such director of any Shares held by such director or any such Associate. Accordingly he shall not be entitled to vote on any resolution arising in relation to or in connection with any such matter.

93. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

94. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles (other than that contained in Article 93(C)) prohibiting a Director from voting at a meeting of Directors or of a committee of Directors.

95. Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

96. If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

SECRETARY

97. Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them but without prejudice to any claim for damages for breach of any contract of service between the Secretary 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 or Deputy Secretaries.

MINUTES

98. The Directors shall cause minutes to be made in books kept for the purpose:-

- (a) of all appointments of officers made by the Directors;
- and

(b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the Directors, and of any committee of Directors, including the names of the Directors present at each such meeting.

THE SEAL

99. The Seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

DIVIDENDS

100. Subject to the provisions of the Act and these Articles, the Company may by ordinary resolution declare final dividends in accordance with the respective rights of the Members, but no final dividend shall exceed the amount recommended by the Directors.

101. Subject to the provisions of the Act and these Articles, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. The Directors shall pay any dividend payable at a fixed rate and time subject only to the Company having sufficient profits available for distribution.

102. Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividend as from a particular date, that Share shall rank for dividend accordingly.

103. A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any Member upon the footing of the value so fixed in order to adjust the rights of Members and may vest any assets in trustees.

104. Any dividend or other moneys payable in respect of a Share may be paid by cheque sent by post to the registered address of the person entitled (or, if two or more persons are the holders of the Share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of any one of

such persons) who is first named in the register of Members or to such person and to such address as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a Share as aforesaid may give receipts for any dividend or other moneys payable in respect of the Share. Every such cheque shall be sent at the risk of the person entitled to the money represented thereby.

105. No dividend or other moneys payable in respect of a Share shall bear interest against the Company unless otherwise provided by the rights attached to the Share.

106. The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a Share into a separate account shall not constitute the Company as a trustee in respect of such moneys. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

ACCOUNTS

107. No Member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company, or ordered by a Court of competent jurisdiction.

CAPITALISATION OF PROFITS

108. Subject as otherwise provided in these Articles, the Directors may with the authority of an ordinary resolution of the Company:-

(a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

(b) appropriate the sum resolved to be capitalised to the Members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by them respectively, or in paying up in full unissued Shares or debentures of the company of a nominal amount equal to that sum, and allot the Shares or debentures credited as fully paid to those Members, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued Shares to be allotted to Members credited as fully paid;

(c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of Shares or debentures becoming distributable under this regulation in fractions; and

(d) authorise any person to enter on behalf of all the Members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any Shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such Members.

NOTICES

109. Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

110. The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address. In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the register of Members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.

111. A Member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

112. Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the register of Members, has been duly given to a person from whom he derives his title.

113. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

114. A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the

bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

WINDING UP

115. If the Company is wound up, the liquidator may subject to the rights attaching to each class of Shares, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Members as he with the like sanction determines, but no Member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

116. Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

SUBSIDIARIES

117. The Company shall procure that no subsidiary of the Company shall do or permit to be done any act, matter or thing which if it were done or permitted to be done by the Company would constitute a breach by the Company of any of the provisions of these Articles or would require any consent, approval or sanction under these Articles, unless in such latter case such consent, approval or sanction has first been obtained.