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COMPANIES FORM No. 12

**Statutory Declaration of compliance
with requirements on application
for registration of a company**

12

Please do not
write in
this margin

Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold black lettering

To the Registrar of Companies

For official use

For official use

[] [] [] [] [] [] [] [] [] []

[] [] [] [] [] [] [] [] [] []

Name of company

* ICHNOLITE LIMITED

* Insert full
name of Company

I, MICHAEL THOMAS WOMACK
of MERLIN PLACE, MILTON ROAD
CAMBRIDGE
CB4 4DP

† delete as
appropriate

do solemnly and sincerely declare that I am a [Solicitor engaged in the formation of the company]†
~~I am a person named as director or secretary of the company in the statement delivered to the registrar~~
~~under section 10(2)†~~ and that all the requirements of the above Act in respect of the registration of the
above company and of matters precedent and incidental to it have been complied with,
And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835

Declared at 83 Victoria Road
Cambridge

Declarant to sign below

the 24th day of March
One thousand nine hundred and 1993
before me Peter C. Fletcher

M T Womack

A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

PETER C. FLETCHER
SOLICITOR
83 VICTORIA ROAD
CAMBRIDGE CB4 3BS
(0223) 467066

Presenter's name address and
reference (if any):

TAYLOR
VINTERS
SOLICITORS
MERLIN PLACE, MILTON ROAD
CAMBRIDGE CB4 4DP

For official Use
New Companies Section

Post room

RECEIVED STROUSE
26 MAR 1993
87





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COMPANIES HOUSE	
26 MAR 1993	
M	87

10

**Statement of first directors and
secretary and intended situation
of registered office**

This form should be completed in black.

Company name (in full)

CN	For official use <input type="checkbox"/>
ICHOOLITE LIMITED	

Registered office of the company on
incorporation.

RO	MERLIN PLACE
	MILTON ROAD
Post town	CAMBRIDGE
County/Region	CAMBRIDGESHIRE
Postcode	CB4 4DP

If the memorandum is delivered by an
agent for the subscribers of the
memorandum mark 'X' in the box
opposite and give the agent's name
and address.

X

Name	MESSRS TAYLOR VINTERS
RA	MERLIN PLACE
	MILTON ROAD
Post town	CAMBRIDGE
County/Region	CAMBRIDGESHIRE
Postcode	CB4 4DP

Number of continuation sheets attached

--

To whom should Companies House
direct any enquiries about the
information shown in this form?

MESSRS TAYLOR VINTERS,	
MERLIN PLACE, MILTON ROAD	
CAMBRIDGE	Postcode CB4 4DP
Telephone 0223-423-444	Extension 2167

Company Secretary (See notes 1 - 5)

Name *Style/Title
Forenames
Surname
*Honours etc
Previous forenames
Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

Consent signature

CS	MR
	GERARD
	FITZSIMONS
	N/A
	N/A
	N/A
AD	20 SEARLE STREET
	CAMBRIDGE
Post town	CAMBRIDGE
County/Region	CAMBRIDGESHIRE
Postcode	CB4 3DB
Country	ENGLAND
I consent to act as secretary of the company named on page 1.	
Signed	<i>G. Fitzsimons</i> Date 24 March 1993

Directors (See notes 1 - 5)

Please list directors in alphabetical order.

Name *Style/Title
Forenames
Surname
*Honours etc
Previous forenames
Previous surname

Address

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

Date of birth
Business occupation
Other directorships

* Voluntary details

Consent signature

CD	MR
	GERARD
	FITZSIMONS
	N/A
	N/A
	N/A
AD	20 SEARLE STREET
	CAMBRIDGE
Post town	CAMBRIDGE
County/Region	CAMBRIDGESHIRE
Postcode	CB4 3DB
Country	ENGLAND
DO	28 08 59
Nationality	NA BRITISH
OC	SOLICITOR
OD	PLEASE SEE ATTACHED LIST
I consent to act as director of the company named on page 1.	
Signed	<i>G. Fitzsimons</i> Date 24 March 1993

Directors (continued)

(See notes 1 - 5)

Name***Style/Title****Forenames****Surname*****Honours etc****Previous forenames****Previous surname****Address**

Usual residential address must be given.
In the case of a corporation, give the
registered or principal office address.

Date of birth**Business occupation****Other directorships***** Voluntary details****Consent signature****CD** MR

MICHAEL THOMAS

WOMACK

N/A

N/A

N/A

AD 12 DE FREVILLE AVENUE

CAMBRIDGE

Post town CAMBRIDGE

County/Region CAMBRIDGESHIRE

Postcode CB4 1HR Country ENGLAND

DO 3 1 0 8 4 7Nationality **NA** BRITISH**OC** SOLICITOR**OD** PLEASE SEE LIST ATTACHED

I consent to act as director of the company named on page 1

Signed

Date 24 March 1993

Delete if the form
is signed by the
subscribers.

Signature of agent on behalf of all subscribers Date

Delete if the form
is signed by an
agent on behalf of
all the subscribers.

All the subscribers
must sign either
personally or by a
person or persons
authorised to sign
for them.

Signed N/A

Date

Signed N/A

Date

Signed N/A

Date

Signed N/A

Date

Signed N/A

Date

Signed N/A

Date

2806007

CR\MEMORANDUM\19.11.91(2)

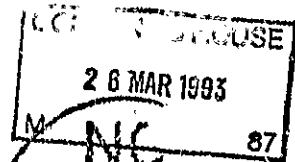
Company No:

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
ICHNOLITE LIMITED

1. The name of the Company is ICHNOLITE LIMITED.
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
 - (A) To carry on business as a General Commercial Company.
 - (B) To carry on any other trade or business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on by the Company in connection with or ancillary to the general business of the Company.
 - (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any interest any lands, buildings, easements, rights, privileges, concessions, trade marks, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or



128504

in connection with the Company's business or any branch or department thereof.

- (D) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- (E) To borrow or raise or secure the payment of money for the purposes of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society.
- (F) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (G) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in

whose businesses or undertakings the Company is interested, whether directly or indirectly.

- (H) To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee the obligations and contracts of customers and others and to charge the whole or any part of the Company's undertaking as security for such guarantee.
- (I) To make advances to customers and others with or without security, and upon such terms as the Company may approve, and to guarantee the dividends interest and capital of the shares stocks or securities of any company of which this Company is a member or in which it is otherwise interested and generally to act as bankers for customers and others.
- (J) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependants or connections of such persons, to establish, support and maintain or concur in establishing and maintaining, or to subscribe to any charitable funds or institutions, trusts, funds, or schemes (whether contributory or non-contributory) the support of which may, in the opinion of the Directors, be calculated directly or indirectly to provide pensions or other benefits for any such persons as aforesaid, their dependents or connections and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees.
- (K) To establish and support whether by way of covenant or by ad hoc payments or to aid in the establishment and support of any schools or any educational,

scientific, literary, religious or charitable institution whether or not the same be connected in any way with any other activity of the Company.

- (L) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- (M) To invest and deal with the monies of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (N) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (O) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or

securities so acquired.

- (P) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (Q) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.
- (R) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company is authorised to carry on, or the carrying on of which is deemed likely to benefit this Company or possessed of property suitable for the purposes of the Company, or to advance its interests.
- (S) To sell, improve, manage, develop, turn to account,

exchange, let on rent, grant royalty, share or profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.

- (T) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding-up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (U) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (V) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either by or through agents, trustees, sub-contractors or otherwise.
- (W) To do all such other things as are incidental or conducive to the above objects or any of them.

The objects set forth in any of the preceding sub-clauses shall, not except where the context otherwise expressly so requires, be in any manner or degree limited or restricted by reference to or inference from the terms of any other sub-clause or the name of the Company. None of such sub-clauses or the objects therein specified or the names thereby conferred shall be deemed subsidiary or ancillary merely to the objects mentioned in the first sub-clause of this clause but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business undertaking property or acts proposed to be transacted acquired dealt with or performed do not fall within the objects of the first sub-clause of this clause.

4. The liability of the members is limited.
5. The Share Capital of the Company is £100.00 divided into 100 Ordinary shares of £1.00 each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

WE the several persons whose names and addresses and descriptions are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

GERARD FITZSIMONS
Merlin Place
Milton Road
Cambridge
CB4 4DP
Solicitor

G Fitzsimons

No of Shares

1

MICHAEL THOMAS WOMACK
Merlin Place
Milton Road
Cambridge
CB4 4DP
Solicitor

M Thomas

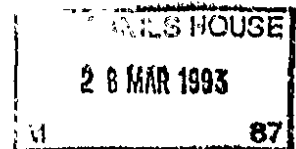
1

DATED the 24th day of March 1993

Witness to the above signatures:

ALISON ANNE WIGLEY
Merlin Place
Milton Road
Cambridge
CB4 4DP
Solicitor

Alison A Wigley



Company No:

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

ICHNOLITE LIMITED

PRELIMINARY

- 1.1 The Regulations contained in Table A in Regulations made by the Secretary of State S.I. 1985 No. 805 and S.I. 1985 No 1052 (hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby. References in these Articles to numbered Regulations shall, unless the context otherwise requires, be deemed to be references to Regulations in Table A. The Regulations of Table A numbered 3, 24, 40, 64, 73, 74, 75, 89, 90 and 94 shall not apply to the Company and in lieu thereof and in addition to the remaining Regulations in Table A, the following shall be the Articles of the Company.
- 1.2 The Act means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

SHARES

2. The Directors are unconditionally authorised for the purposes of section 80 of the Act at any time or times during the period of five years from the date of incorporation of the Company to allot or otherwise dispose of shares up to the amount of the original share capital of the Company at the date of incorporation of the Company or any increased share capital of the Company to such persons, on such terms and conditions, and either at a premium or at par and at such times as the Directors think fit, and with full power to give to any person the call of any share at a premium or at par during such times and for such consideration as the Directors think fit, and to grant to any person subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares an option to require the Company to allot to him or his nominees any further shares in the Company at not less than par. In accordance with section 91(1) of the Act sections 89(1) and 90(1) to 90(6) inclusive shall be excluded from applying to the Company.
3. Subject to the provisions of Chapter VII of Part V of the Act the Company may:-
 - 3.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder;
 - 3.2 purchase its own shares (including any redeemable shares);
 - 3.3 make a payment in respect of the redemption or purchase, under sections 159 and 160 or (as the case may be) section 162 of the Act and the relevant power contained in Regulations 3.1 or 3.2, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by sections 170 to 175

inclusive of the Act.

4. The following words shall be deleted from the sixth line of Regulation 6:-

"shall be sealed with the seal"

and the following words shall be substituted for them:-

"shall be signed by two Directors or one Director and the Company Secretary".

5. The lien conferred by Regulation 8 shall extend to fully paid shares, and to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of several joint holders.

TRANSFER AND TRANSMISSION OF SHARES

6. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share whether or not it is a fully paid share.

PROCEEDINGS AT GENERAL MEETINGS

7. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be two members present in person or by proxy and entitled to vote.
8. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of a show of hands a poll is demanded by any member present in person or by proxy.

DIRECTORS

9. Until otherwise determined by ordinary resolution the number of Directors (excluding alternate Directors) shall not be subject to any maximum but shall not be less than one.
10. A Member or Members holding a majority in nominal value of the issued Ordinary Shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as a Director or Directors, either as an addition to the existing Directors or to fill any vacancy, and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the same, or in the case of a Member being a company signed by one of its directors on its behalf, and shall take effect upon lodgment at the registered office of the Company.
11. Any Director who, by request, performs special services which are outside the scope of the ordinary duties of a Director or goes or resides abroad for any purpose of the Company shall (unless otherwise expressly resolved by the Company in General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

BORROWING POWERS

12. There shall be no limit on the amount for the time being remaining undischarged of moneys borrowed or secured by the Directors.

POWERS AND PROCEEDINGS OF DIRECTORS

13. A Director who is in any way, whether directly or

indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in the manner required by Section 317 of the Act. A Director may vote in respect of any such contract or proposed contract and if he does so vote his vote shall be counted and he shall be capable of being counted towards the quorum at any meeting of the Directors at which any such contract or proposed contract shall come before the Board for consideration.

14. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
15. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.
16. No Director of the Company shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy or any other age, and any person proposed to be appointed a

Director of the Company shall be capable of being appointed as a Director of the Company, notwithstanding that at the time of such appointment he has attained the age of seventy. No special notice need be given of any resolution for the appointment or approving the appointment as a Director of a person who shall have attained the age of seventy years, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be appointed as a Director.

17. The Directors shall not be liable to retirement by rotation and Regulations 76,77,78 and 79 shall be modified accordingly.
18. The quorum necessary for the transaction of business of the Directors may be fixed by the Directors and until so fixed shall, except when one Director only is in office, be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. When one Director only is in office he shall have and may exercise all the powers and authorities in and over the affairs of the Company as are by these Articles conferred on the Board of Directors.

DISQUALIFICATION OF DIRECTORS

19. Regulation 81(e) shall not apply to the Company.

DIVIDENDS

20. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of those parts of Part VIII of the Act which apply to the Company.

INDEMNITY

21. Subject to the provisions of the Act and in addition to such indemnity as is contained in Regulation 118 of Table

A, every Director, officer or official of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office.

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBERS

GERARD FITZSIMONS
Merlin Place,
Milton Road,
Cambridge CB4 4DP

G Fitzsimons

MICHAEL THOMAS WOMACK
Merlin Place,
Milton Road,
Cambridge CB4 4DP

M Thomas

Witness to the above signatures:-

ALISON ANNE WIGLEY
Merlin Place,
Milton Road,
Cambridge CB4 4DP

Alison A Wigley

DATED the *24th* day of *March* 1993

WITNESS to the above signature

DIRECTORSHIPS

MICHAEL THOMAS WOMACK

PRESENT

**ADVENT RESEARCH MATERIALS LIMITED
ANGLIA SCIENTIFIC INSTRUMENTS LTD
APEX TELEVISION PRODUCTION & FACILITIES LIMITED
AULA SECURITIES LIMITED
BARMANS LIMITED
BRIDEVALE LIMITED
BRITFINN LIMITED
BROOKLAND CONTROL LIMITED
BURGUNDY BLUE LIMITED
BUSINESS SCOPE LIMITED
CAMBRIDGE CENTRE FOR BUSINESS RELATIONS LTD
CAMBRIDGE KIEV JOINING TECHNOLOGY LIMITED
CAMBRIDGE WOMENS RESOURCES LTD
CAMBRIDGE FORECASTING LIMITED
CHADLEY ENTERPRISES LIMITED
CHARLES MARTIN CONTRACTS LIMITED
CONCEPT FLOORING LIMITED
CORALRING LIMITED
CREALY BURWASH LIMITED
DAWN CABLE REINSTATEMENT LIMITED
DAY BREAK NURSERIES LIMITED
DE-VI ELECTROHEAT LIMITED
DRYCLEAN MACHINE LIMITED
DUNCANNON LIMITED
FLEUR DE LYS ENTERPRISES LIMITED
GENERIC TECHNOLOGY (PRODUCTS) LIMITED
GLOBAL BUSINESS NEWS AND COMMUNICATIONS LIMITED
GRANTA ELECTRONICS LIMITED
GRIMALKIN LIMITED
GUILD CORPORATE COMMUNICATIONS LIMITED
HEATH GARAGES LIMITED
HTD - HIGH TECHNOLOGY DEVELOPMENTS LIMITED
HTT HIGH TECHNOLOGY TRAINING LTD
IJP TECHNOLOGIES LIMITED**

INTERLANGUAGE LIMITED
J R CLARK MILLING CONSULTANTS LIMITED
JASPER BRYNE LIMITED
KERSHAW GROUP LIMITED
KILVERSTON COUNTRY PARK LIMITED
KONTECH TRANSFER LIMITED
LE CAPE LIMITED
LINKAGE LIMITED
LOCK-TECK LIMITED
LUCA CUMANI LIMITED
MARKETING ANGLIA LIMITED
MARKETING & DISTRIBUTION GROUP (UK) LIMITED
MARKETING YORKSHIRE LIMITED
MARKETING SOUTH LIMITED
NETSUKE LIMITED
NETTING LIMITED
NEW STUD FARM LIMITED
NUPTIAL TWO LIMITED
PAN EUROPEAN HOLDINGS LIMITED
PARSLEY (2000) LIMITED

PAST

PEACHROCK LIMITED
PORTEC SYSTEMS ENGINEERING LIMITED
PRO-ACTIVE CONTROL LIMITED
QUDGS EUROPE LIMITED
QUEENBOROUGH LIMITED
QUINTELLA LIMITED
RACING WELFARE (DEVELOPMENT) COMPANY LIMITED
RCD HOLDINGS LIMITED
RICKSHA (2000) LIMITED
ROOIBOS LIMITED
ROSSVIEW LIMITED
SHAMU SHORES LIMITED
SILVER SHIMMER LIMITED
SMALL WORLD SYSTEMS LIMITED
SNOUT LIMITED
SOUTHWAY COMMERCIALS LIMITED
SPEARMARK HOLDINGS LIMITED

ST JOHNS VENTURES CENTRE LIMITED
ST MARY'S STREET MANAGEMENT LIMITED
SYMBIONICS PRODUCTS LIMITED
SYNKTWO LIMITED
TARBOOSH LIMITED
TAYLOR VINTERS LIMITED
THE COMMUNICATORS GROUP LIMITED
THE WINNING TEAM RACING CO LTD
THE BAIT-SET COMPANY LIMITED
TITANIA (2000) LIMITED
TORRES DESIGN ASSOCIATES LIMITED
TRADER ONE LIMITED
TRAINREADY OVERSEAS LIMITED
TRIPLE K LIMITED
U.TOW TRAILERS LIMITED
UNDER DUMYAT LIMITED
VAMOOSE (2000) LIMITED
VIC HAYES LIMITED
WAMPUM (2000) LIMITED
WEDGEWOOD DRIVE MANAGEMENT COMPANY LIMITED
TYPEWELL LIMITED

DIRECTORSHIPS

GERARD FITZSIMONS

PRESENT

EXUG LIMITED
FLEUR DE LYS ENTERPRISES LIMITED
GLOBAL BUSINESS NEWS & COMMUNICATIONS LIMITED
GRIMALKIN LIMITED
HTT HIGH TECHNOLOGY LIMITED
IJP TECHNOLOGIES LIMITED
INTERLANGUAGE LIMITED
JASPER BYRNE LIMITED
KONTECH TRANSFER LIMITED
NETSUKE LIMITED
NEW STUD FARM LIMITED
NUPTIAL TWO LIMITED
PAN EUROPEAN HOLDINGS LIMITED
PARSLEY (2000) LIMITED
PERFECT PICTURES LIMITED
PORTEC SYSTEMS ENGINEERING LIMITED
QUDOS EUROPE LIMITED
RCD HOLDINGS LIMITED
RICKSHA (2000) LIMITED
ROOIBOS LIMITED
SHAMU SHORES LIMITED
SNOUT LIMITED
SPEARMARK HOLDINGS LIMITED
ST MARY'S STREET MANAGEMENT COMPANY LIMITED
ST JOHN'S VENTURE CENTRE LIMITED
SYMBIONICS PRODUCTS LIMITED
SYNKTWO LIMITED
TARBOOSH LIMITED
THAMESBRIGHT & STARGRACE LIMITED
TITANIA (2000) LIMITED
TRADER ONE LIMITED
TRAINREADY OVERSEAS LIMITED
WAMPUM (2000) LIMITED

PAST

ABBKERR LIMITED
APEX TELEVISION PRODUCTION & FACILITIES LIMITED
BARMANS LIMITED
BRITFINN LIMITED
BURGUNDY BLUE LIMITED
BUSINESS SCOPE LIMITED
CAMBRIDGE KIEV JOINING TECHNOLOGY LIMITED
CAMBRIDGE FORECASTING LIMITED
CAMBRIDGE APPLIED PHYSICS LIMITED
CAMBRIDGE CENTRE FOR BUSINESS RELATIONS LIMITED
CHADLEY ENTERPRISES LIMITED
CHARLES MARTIN CONTRACTS LIMITED
CONCEPT FLOORING LIMITED
DAWN CABLE REINSTATEMENT LIMITED
ECUMEN (ASIA) LIMITED
GENERIC TECHNOLOGY (PRODUCTS) LIMITED
GUILD CORPORATE COMMUNICATIONS LIMITED
HEATH GARAGES LIMITED
HTD HIGH TECHNOLOGY DEVELOPMENTS LIMITED
J R CLARK MILLING CONSULTANTS LIMITED
KERSHAW GROUP LIMITED
KILVERSTON COUNTRY PARK LIMITED
LE CAPE LIMITED
PRO-ACTIVE CONTROL LIMITED
RACING WELFARE (DEVELOPMENT) COMPANY LIMITED
SILVER SHIMMER LIMITED
SOUTHWAY COMMERCIAL LIMITED
THE BAIT-SET COMPANY LIMITED
THE COMMUNICATORS GROUP LIMITED
THE WINNING TEAM RACING CO LTD
TORRES DESIGN ASSOCIATES LTD
TRIPLE K LIMITED
U.TOW TRAILERS LIMITED
UNDER DUMYAT LIMITED
VAMOOSE (2000) LIMITED
VIC HAYES LIMITED
WEDGEWOOD DRIVE MANAGEMENT COMPANY LIMITED

TAYLOR VINTERS

SOLICITORS

Merlin Place, Milton Road, Cambridge CB4 4DP Telephone: (0223) 423444
DX: 5801 Fax: (0223) 425446

The Registrar
Companies House
DX 33050
CARDIFF

Your Ref:

Our Ref: AAW/LMR

Date: 25 March 1993

Dear Sir

Re: Ichnolite Limited

We enclose the following documents required to incorporate the above company:-

1. Form G12
2. Form G10
3. Memorandum of Association
4. Articles of Association
5. Our cheque in the sum of £50.00 being the incorporation fee payable

We look forward to receiving the Certificate of Incorporation in due course.

We enclose a copy of this letter and should be grateful if you would return the same in the enclosed Document Exchange envelope by way of acknowledgment of receipt.

Yours faithfully
TAYLOR VINTERS

Taylor Vinters



Richard Redmayne Raymond Maskell Christopher Evans Herbert Robinson Roderic Martin Paul Webb Jeremy Richardson
Kathleen Carr Gerard Chadwick Michael Womack Martin Blakemore John Short Edward Perrott Adrian Horwood-Smart Peter Finnis
Richard Newbery Yasmin Ameer Fraser Paskell Gerard Fitzsimons Steven Beach Amanda Lyne Neill Campocelli Paul Taggar
Consultants: John Horwood-Smart Notary Public, Philip Swift Associate: Robert Barnes
Also at Lushington House 119 High Street Newmarket CB8 9AG Tel: (0638) 663571

This firm is regulated by the Law Society in the conduct of investment business.

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

No. 2806007

I hereby certify that

ICHNOLITE LIMITED

is this day incorporated under the Companies Act 1985 as
a private company and that the Company is limited.

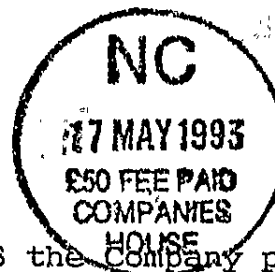
Given under my hand at the Companies Registration Office,
Cardiff the 1 APRIL 1993

M. Rose
M. ROSE

an authorised officer

Company Number: 2806007

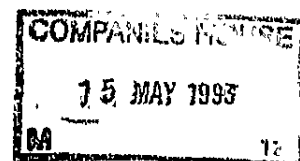
ICHNOLITE LIMITED



NOTICE is hereby given that on 14th May 1993 the Company passed the following resolution as a Special Resolution :

"THAT the name of the Company be changed to DEAN & BOWES (HOMES) LIMITED"

.....*G. Higgins*.....
Director





CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

No. 2806007

I hereby certify that

ICHNOLITE LIMITED

having by special resolution changed its name,

is now incorporated under the name of

DEAN & BOWES (HOMES) LIMITED

Given under my hand at the Companies Registration Office,
Cardiff the 24 MAY 1993

P. A. Morgan
P. A. Morgan (1993)

an authorised officer

Company Number: 2806007

THE COMPANIES ACT 1985
SPECIAL RESOLUTION
of
DEAN & BOWES (HOMES) LIMITED

Passed on the 7th day of June 1993

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held at Merlin Place Milton Road Cambridge CB4 4DP on the 7th day of June 1993 the following Resolution was duly passed as a SPECIAL RESOLUTION of the Company:

THAT the Company adopt new Articles of Association altering the former Articles of Association by the deletion of the words in Article 2 "or any increased share capital of the company"

.....*G. H. B.*.....
Chairman of Meeting



Company No: 2806007

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

DEAN & BOWES (HOMES) LIMITED

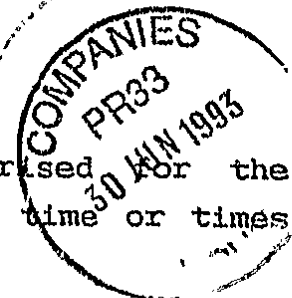
PRELIMINARY

1.1 The Regulations contained in Table A in Regulations made by the Secretary of State S.I. 1985 No. 805 and S.I. 1985 No 1052 (hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby. References in these Articles to numbered Regulations shall, unless the context otherwise requires, be deemed to be references to Regulations in Table A. The Regulations of Table A numbered 3, 24, 40, 64, 73, 74, 75, 89, 90 and 94 shall not apply to the Company and in lieu thereof and in addition to the remaining Regulations in Table A, the following shall be the Articles of the Company.

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

SHARES

2. The Directors are unconditionally authorised for the purposes of section 80 of the Act at any time or times



during the period of five years from the date of adoption of these Articles to allot or otherwise dispose of shares up to the amount of the share capital of the Company at the date of adoption of these Articles to such persons, on such terms and conditions, and either at a premium or at par and at such times as the Directors think fit, and with full power to give to any person the call of any share at a premium or at par during such times and for such consideration as the Directors think fit, and to grant to any person subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares an option to require the Company to allot to him or his nominees any further shares in the Company at not less than par. In accordance with section 91(1) of the Act sections 89(1), 90(1) to 90(6) inclusive shall be excluded from applying to the Company.

3. Subject to the provisions of Chapter VII of Part V of the Act the Company may:-

3.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder;

3.2 purchase its own shares (including any redeemable shares);

3.3 make a payment in respect of the redemption or purchase, under sections 159, 160 and 161 or (as the case may be) section 162 of the Act and the relevant power contained in Regulations 3.1 or 3.2, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by sections 170 to 175 inclusive of the Act.

4. The following words shall be deleted from the sixth line of Regulation 6:-

"shall be sealed with the seal"

and the following words shall be substituted from them:-

"shall be signed by two Directors or one Director and the Company Secretary".

5. The lien conferred by Regulation 8 shall extend to fully paid shares, and to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of several joint holders.

TRANSFER AND TRANSMISSION OF SHARES

6. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share whether or not it is a full paid share.

PROCEEDINGS AT GENERAL MEETINGS

7. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be two members present in person or by proxy and entitled to vote and holding or representing by proxy not less than one tenth part of the issued share capital of the Company.
8. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of a show of hands a poll is demanded by any member present in person or by proxy.

DIRECTORS

9. Until otherwise determined by ordinary resolution the number of Directors (excluding alternate Directors) shall not be subject to any maximum but shall not be less than one.
10. A Member or Members holding a majority in nominal value of the issued Ordinary Shares for the time being in the Company shall have power from time to time and at any time to appoint any person or persons as a Director or Directors, either as an addition to the existing Directors or to fill any vacancy, and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the same, or in the case of a Member being a company signed by one of its directors on its behalf, and shall take effect upon lodgment at the registered office of the Company.
11. Any Director who, by request, performs special services which are outside the scope of the ordinary duties of a Director or goes or resides abroad for any purpose of the Company shall (unless otherwise expressly resolved by the Company in General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

BORROWING POWERS

12. There shall be no limit on the amount for the time being remaining undischarged of moneys borrowed or secured by the Directors.

POWERS AND PROCEEDINGS OF DIRECTORS

13. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract

with the Company shall declare the nature of his interest in the manner required by Section 317 of the Act. A Director may vote in respect of any such contract or proposed contract and if he does so vote his vote shall be counted and he shall be capable of being counted towards the quorum at any meeting of the Directors at which any such contract or proposed contract shall come before the Board for consideration.

14. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
15. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.
16. No Director of the Company shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy or any other age, and any Director retiring or liable to retire under the provisions of these Articles and any person

proposed to be appointed a Director of the Company shall be capable of being re-appointed as the case may be as a Director of the Company, notwithstanding that at the time of such re-appointment or appointment he has attained the age of seventy. No special notice need be given of any resolution for the re-appointment or appointment or approving the appointment as a Director of a person who shall have attained the age of seventy years, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be re-appointed or appointed as a Director.

17. The Directors shall not be liable to retirement by rotation and Regulations 76,77,78 and 79 shall be modified accordingly.
18. The quorum necessary for the transaction of business of the Directors may be fixed by the Directors and until so fixed shall, except when one Director only is in office, be two. When one Director only is in office he shall have and may exercise all the powers and authorities in and over the affairs of the Company as are by these Articles conferred on the Board of Directors.

DISQUALIFICATION OF DIRECTORS

19. Regulation 81(e) shall not apply to the Company.

DIVIDENDS

20. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of Part VIII of the Act which apply to the Company.

INDEMNITY

21. Subject to the provisions of the Act and in addition to such indemnity as is contained in Regulation 118 of Table A, every Director, officer or official of the Company shall

be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office.



COMPANIES FORM No. 123

**Notice of increase
in nominal capital****123**Please do not
write in
this margin

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number

[] [] [] []

2806007

Name of company

*Insert full name
of company

* Dean & Bowes (Homes) Limited

gives notice in accordance with section 123 of the above Act that by resolution of the company
dated 28th June 1993 the nominal capital of the company has been
increased by £ 900 beyond the registered capital of £ 100.

†The copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached.†

The conditions (e.g. voting rights, dividend rights, winding-up rights etc.) subject to which the new
shares have been or are to be issued are as follows:

Ordinary one pound shares ranking in all respects pari passu
with the 100 ordinary issued shares of the Company and subject
to the Memorandum and Articles of Association of the Company

Please tick here if
continued overleaf†Insert Director,
Secretary,
Administrator,
Administrative
Receiver or Receiver
(Scotland) as
appropriate

Signed

Designations

SECRETARY Date 28th June 1993Presenter's name, address and
reference (if any):

TAYLOR
VINTERS
SOLICITORS
MERLIN PLACE, MILTON ROAD
CAMBRIDGE CB4 4DP

GF

For official use

General section

Post room



Company No. 2806007

**The Companies Acts 1985 to 1989
Company Limited by Shares**

**Special Resolution
of
Dean & Bowes (Homes) Limited**

Passed the 28th day of June 1993

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held on the above date the following Resolution was duly passed as a SPECIAL RESOLUTION of the Company:

RESOLUTION

- (A) THAT the share capital of the Company be increased from £100 to £1,000 by the creation of a further 900 Ordinary Shares of £1 each; and
- (B) THAT the Directors of the Company be irrevocably authorised to allot 989 ordinary shares in the capital of the Company to Stephen Dean for cash and to allot 9 ordinary shares in the capital of the Company to Dean & Bowes Limited for cash such authority to expire on 30th May 1998; and
- (C) THAT the purchase from Dean & Bowes Limited (a company of which Mr Stephen Dean and Mr Peter Holmes is each a director and shareholder) of property known as Willow Walk Ely registered with title number CB150905 for £100,000 be approved.

.....
Chairman

G

COMPANIES FORM No. 224

224

Notice of accounting reference date (to be delivered within 9 months of incorporation)

Please do not
write in
this margin.

Pursuant to section 224 of the Companies Act 1985
as inserted by section 3 of the Companies Act 1989

Please complete
legibly, preferably
in black type, or
bold block lettering.

To the Registrar of Companies
(Address overleaf)

Company number

2806007

*Insert full name
of company.

Name of company

* DEAN & BOWES (HOMES) LIMITED

gives notice that the date on which the company's accounting reference period is to be treated as
coming to an end in each successive year is as shown below:

Important

The accounting
reference date to
be entered along-
side should be
completed as in the
following examples:

Day Month

3 1 1 2

5 April
Day Month

0 5 0 4

30 June
Day Month

3 0 0 6

31 December
Day Month

3 1 1 2

†Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver (Scotland)
as appropriate.

Signed



Designation †

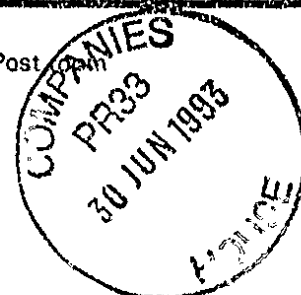
SECRETARY.

Date 28.6.93

Presenter's name address telephone
number and reference (if any):

For official use
D.E.B.

Post



The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscoff Street, London SE1 5TS.

Companies G224

1990 Edition
6 90 F17380

5019191

G

COMPANIES FORM No. 43(3)

Application by a private company for re-registration as a public company**43(3)**

Please do not write in this margin

Pursuant to section 43(3) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number

[] [] [] []

2806007

Name of company

• DEAN & BOWES (HOMES) LIMITED

* insert existing full name of company

o insert full name of company amended to make it appropriate for this company as a public limited company

applies to be re-registered as a public company by the name of o

Dean & Bowes (Homes) PLC

and for that purpose delivers the following documents for registration:

- 1 Declaration made by a director or the secretary in accordance with section 43(3)(e) of the above Act (on Form No 43(3)(e))
- 2 Printed copy of memorandum and articles as altered in pursuance of the special resolution under section 43(1)(a) of the above Act.
- 3 Copy of auditors written statement in accordance with section 43(3)(b) of the above Act
- 4 Copy of relevant balance sheet and of auditors unqualified report on it

1 delete if section 44 of the Act does not apply

~~5 Copy of any valuation report~~ 5

LB 014967
 Renshaw Ltd
 Same day

1 delete as appropriate

Signed



[Director][Secretary] Date 6th March 1995

Presentor's name address and reference (if any):

TAYLOR
 VINTERS
 SOLICITORS
 MERLIN PLACE, MILTON ROAD
 CAMBRIDGE CB4 4DP

For official Use
General Section

Post room



KLO KEN349HI 1529
 COMPANIES HOUSE 07/03/95

10 - 03 - 95

MEM.DBH

Company Number 2800607

THE COMPANIES ACTS 1985 AND 1989

A PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

DEAN & BOWES (HOMES) PLC

G

COMPANIES FORM No. 43(3)(e)

**Declaration of compliance
with requirements by a
private company on application
for re-registration as a public
company**

43(3)(e)

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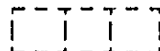
Pursuant to section 43(3)(e) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company number



2806007

Name of company

* insert full name
of company

• DEAN & BOWES (HOMES) LIMITED

I, STEPHEN DEAN

of The Paddocks, Hemingford Road, St Ives, Cambridgeshire PE17 4HG

I delete as
appropriate

I insert date

GW

I, the ~~secretary~~ [a director] of the company, do solemnly and sincerely declare that:

- 1 the company, on 6th March 1995, passed a special resolution that the company should be re-registered as a public company;
- 2 the conditions of sections 44 and 45 of the above Act (so far as applicable) have been satisfied;
- 3 between the balance sheet date and the application for re-registration, there has been no change in the company's financial position that has resulted in the amount of its net assets becoming less than the aggregate of its called-up share capital and undistributable reserves.

And I make this solemn declaration conscientiously believing
the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Few & Kester

Declarant to sign below

Cambridge in the County of
Cambridgeshire
the Sixth day of MarchOne thousand nine hundred and ninety-fivebefore me G. H. Kester

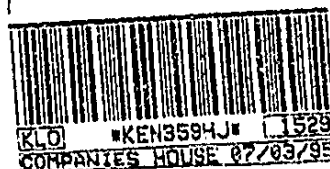
A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

Presentor's name address and
reference (if any):

TAYLOR
VINTERS
SOLICITORS
MERLIN PLACE, MILTON ROAD
CAMBRIDGE CB4 4DP

For official Use
General Section

Post room



Southgate House
61 Millstone Lane
Leicester LE1 5QA

Telephone: (0533) 531981
Telex: 884657 PRIWAT G
Telecopier: (0533) 532697

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF DEAN & BOWES (HOMES) LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

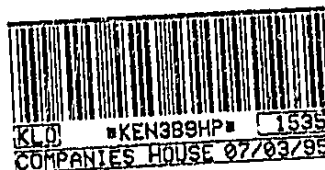
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 6 January 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse
Chartered Accountants
and Registered Auditors



30 January 1995

10 - 03 - 95

2806007

Southgate House
61 Milstone Lane
Leicester LE1 5UA

Telephone: 0116-262 0000
Telefax: 884657 PRIWAT G
Telecopier: 0116-253 2697

Price Waterhouse



AUDITORS STATEMENT TO THE DIRECTORS OF DEAN & BOWES (HOMES) LIMITED FOR THE PURPOSE OF AN APPLICATION UNDER SECTION 43(3) OF THE COMPANIES ACT 1985

We have examined the balance sheet of Dean & Bowes (Homes) Limited at 31 December 1994 which formed part of the financial statements for the year then ended, audited by us. The scope of our work for the purpose of this statement was limited to an examination of the relationship of the amounts stated in the audited balance sheet in connection with the company's proposed re-registration as a public company.

In our opinion the balance sheet at 31 December 1994 shows that at that date the amount of the company's net assets was not less than the aggregate of its called-up share capital and undistributable reserves as defined in Section 264 of the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
28 February 1995



This is a printed document and not a legal document. It is not intended to be used as evidence in court. It is not intended to be used as a legal document. It is not intended to be used as a legal document.

This is a printed document and not a legal document. It is not intended to be used as evidence in court. It is not intended to be used as a legal document. It is not intended to be used as a legal document.

10 - 03 - 95

DEAN & BOWES (HOMES) LIMITED
(Registered Number 2806007)

DIRECTORS' REPORT AND ACCOUNTS

53 WEEKS TO 6 JANUARY 1995

1. DATE _____
 2. TO _____
 3. FROM _____
 4. SUBJECT _____
 5. REFERENCE _____
 6. REMARKS _____
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 10. STATE _____
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DEAN & BOWES (HOMES) LIMITED

DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 6 JANUARY 1995

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

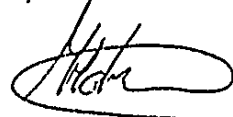
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Waterhouse have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting

By Order of the Board



P HOLMES
Secretary
30 January 1995

FORWARDED ON BEHALF OF
PRICE WATERHOUSE
FOR DISTRIBUTION



DEAN & BOWES (HOMES) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE 53 WEEKS ENDED 6 JANUARY 1995

	53 weeks to 6 January 1995 £	Six months to 31 December 1993 £
TURNOVER	781,047	76,920
Cost of sales	(702,432)	(67,920)
GROSS PROFIT	78,615	9,000
Administrative expenses	(10,084)	(2,505)
OPERATING PROFIT (Note 2)	68,531	6,495
Interest receivable and similar income	-	50
Interest payable and similar charges (Note 3)	(1,664)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	66,867	6,545
Taxation (Note 4)	(16,950)	(1,536)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	49,917	5,009
Dividends	-	(5,000)
AMOUNT TRANSFERRED TO RESERVES (Note 15)	49,917	9

All recognised gains and losses are included within the profit and loss account. There are no differences between the profits disclosed in the profit and loss account and the result on an unmodified historical cost basis.

All activities of the company are continuing.

The notes on pages 6 to 11 form part of these accounts.

DECLARATION OF ACCOUNTS
AND IDENTIFICATION
[Signature]



DEAN & BOWES (HOMES) LIMITED

BALANCE SHEET - 6 JANUARY 1995

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
FIXED ASSETS		
Tangible fixed assets (note 5)	14,356	.
CURRENT ASSETS		
Stocks and work in progress (Note 6)	285,438	89,982
Debtors (Note 7)	170,232	219,225
Cash at bank and in hand	<u>210,335</u>	<u>.</u>
	666,005	309,207
CREDITORS - Amounts falling due within one year (Note 8)	<u>(617,408)</u>	<u>(304,198)</u>
NET CURRENT ASSETS	<u>48,537</u>	<u>5,009</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	62,893	5,009
CREDITORS - Amounts falling due after one year (Note 9)	<u>(7,117)</u>	<u>.</u>
PROVISION FOR LIABILITIES AND CHARGES (Note 11)	<u>(850)</u>	<u>.</u>
	54,926	5,009
CAPITAL AND RESERVES		
Called up share capital (Note 12)	1,000	1,000
Share premium account (Note 13)	4,000	4,000
Profit and loss account (Note 15)	<u>49,926</u>	<u>9</u>
	54,926	5,009

APPROVED BY THE BOARD ON
30 January 1995

S Dean
DIRECTOR

The notes on pages 6 to 11 form part of these accounts.

WITNESSED ON BEHALF OF

CHIEF ACCOUNTANT

AND IDENTIFICATION

DEAN & BOWES (HOMES) LIMITED

NOTES TO THE ACCOUNTS - 6 JANUARY 1995

1 ACCOUNTING POLICIES

The following accounting policies have been adopted by the company.

(a) Accounting Convention

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention.

(b) Turnover

Turnover represents the amount of goods sold, stated net of value added tax. Turnover is attributable to the principal activity of the company and arises in the UK.

(c) Stocks

Stocks are stated at the lower of cost and net realisable value.

(d) Cash Flow

The company has taken advantage of the exemption not to prepare a cash flow statement as it is classed as a small company under section 246 of the Companies Act 1985.

(e) Depreciation

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Motor vehicles	• 25% pa on the straight line basis
Fixtures and fittings	• 25% pa on the straight line basis

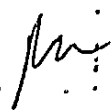
(f) Leasing and hire purchase

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges are included in creditors.

(g) Deferred taxation

Deferred taxation is provided where in the opinion of the directors there is reasonable evidence that such taxation will become payable in the foreseeable future.

THE WAVERLEY
SHEPHERD
SHEPHERD



DEAN & BOWES (HOMES) LIMITED

NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

2 OPERATING PROFIT

Operating profit is stated after charging:

	53 weeks to 6 January 1995 £	Six months to 31 December 1993 £
Depreciation	344	-
Auditors' remuneration	3,500	1,000
Directors' remuneration	2,000	-
	<u>5,844</u>	<u>1,000</u>

The company has no employees, other than the directors.

3 INTEREST PAYABLE

	53 weeks to 6 January 1995 £	Six months to 31 December 1993 £
Hire purchase	60	-
Bank overdraft	1,604	-
	<u>1,664</u>	<u>-</u>

4 TAXATION

	53 weeks to 6 January 1995 £	Six months to 31 December 1993 £
Corporation tax charge at 25% based on the result for the period	16,000	1,536
Adjustment to prior period	100	-
Deferred tax	850	-
	<u>16,950</u>	<u>1,536</u>

PRINTED ON BEHALF OF
PRICE WATERHOUSE
COOPERS & LYONS

DEAN & BOWES (HOMES) LIMITED

NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

5 FIXED ASSETS

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
At 1 January 1994			
Additions	12,300	2,400	14,700
At 6 January 1995	12,300	2,400	14,700
Depreciation			
At 1 January 1994			
Charge for the year	294	50	344
At 6 January 1995	294	50	344
Net book value			
At 6 January 1995	12,006	2,350	14,356
At 31 December 1993			

Included within the cost of motor vehicles held at 6 January 1995 was £10,500 (1993, £Nil) in respect of assets held under finance leases. The depreciation charged was £219.

6 STOCKS AND WORK IN PROGRESS

	6 January 1995 £	31 December 1993 £
Land		
Work in progress		89,982
Finished stocks	120,575	
	164,863	
	285,438	89,982

Construction costs are collated and recharged to this company by Dean & Bowes (Contracts) Limited, a company in which Mr S Dean has an interest

WITNESSED ON BEHALF OF
PRICE WATERHOUSE
COOPERS & LYONS

DEAN & BOWES (HOMES) LIMITED

NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

10 HIRE PURCHASE - AMOUNTS REPAYABLE (CONTINUED)

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Interest and charges repayable		
Within one year	721	-
Between one and five years	<u>2,107</u>	<u>-</u>
	2,828	-
	<u> </u>	<u> </u>

11 DEFERRED TAX

The potential and amount provided for deferred tax at 25% is as follows:

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Accelerated capital allowances	<u>850</u>	<u>-</u>

12 SHARE CAPITAL

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Authorised, allotted and fully paid		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

13 SHARE PREMIUM

The share premium arose on the issue of the ordinary shares.

14 RECONCILIATION OF SHAREHOLDERS FUNDS

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Opening shareholders funds	5,009	-
Ordinary shares issued during the period	-	5,000
Profit for the period	49,917	5,009
Dividends	<u>-</u>	<u>(5,000)</u>
Closing shareholders funds	<u>54,926</u>	<u>5,009</u>

DEAN & BOWES (HOMES) LIMITED
 100, WATERLOO ROAD
 LONDON, W1A 1LH

DEAN & BOWES (HOMES) LIMITED

NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

15 PROFIT AND LOSS ACCOUNT

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Opening profit and loss account reserves	9	-
Retained profit for the period	<u>49,917</u>	<u>9</u>
Closing profit and loss account reserves	<u>49,926</u>	<u>9</u>

16 SUBSEQUENT EVENTS

On 19 January 1995 the company acquired a subsidiary, TayVin 9 Limited which changed its name to Dean Homes Limited on 20 January 1995. The company was incorporated on 14 October 1994 and has not traded since then.

WITNESSED ON BEHALF OF
PRINCE WATERHOUSE
FOR IDENTIFICATION.

10 - 03 - 95

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CERTIFICATE OF INCORPORATION
ON RE-REGISTRATION OF PRIVATE COMPANY
AS A PUBLIC COMPANY

Company No. 2806007

The Registrar of Companies for England and Wales hereby certifies that

DEAN & BOWES (HOMES) PLC

formerly registered as a private company has this day been re-registered under the Companies Act 1985 as a public company and that the company is limited.

Given at Companies House, London, the 7th March 1995

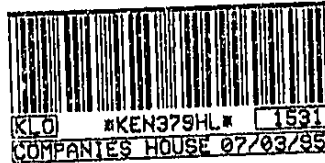


L. Mills

MRS L. MILLS
For The Registrar Of Companies



C O M P A N I E S H O U S E



Company No: 2806007

THE COMPANIES ACTS 1985 AND 1989

A PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
DEAN & BOWES (HOMES) PLC

1. The name of the Company is DEAN & BOWES (HOMES) PLC* X
2. The Company is to be a public company.**
3. The registered office of the Company will be situate in England.
4. The objects for which the Company is established are:-
 - (A) To carry on business as a General Commercial Company.
 - (B) To carry on any other trade or business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on by the Company in connection with or ancillary to the general business of the Company.
 - (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any interest any

* The Company's name was changed from Ichnolite Limited on 24th May 1993

** Converted to a public limited company pursuant to a Special Resolution dated 6th March 1995

lands, buildings, easements, rights, privileges, concessions, trade marks, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade, and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.

- (D) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the Company's business and to contribute to or subsidise the erection, construction and maintenance of any of the above.
- (E) To borrow or raise or secure the payment of money for the purposes of or in connection with the Company's business, and for the purposes of or in connection with the borrowing or raising of money by the Company to become a member of any building society.
- (F) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or redeemable or repayable and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
- (G) To issue and deposit any securities which the Company has power to issue by way of mortgage to

secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly.

- (H) To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee the obligations and contracts of customers and others and to charge the whole or any part of the Company's undertaking as security for such guarantee.
- (I) To make advances to customers and others with or without security, and upon such terms as the Company may approve, and to guarantee the dividends, interest and capital of the shares, stocks or securities of any company of which this Company is a member or in which it is otherwise interested and generally to act as bankers for customers and others.
- (J) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependents or connections of such persons, to establish, support and maintain or concur in establishing and maintaining, or to subscribe to any charitable funds or institutions, trusts, funds, or schemes (whether contributory or non-contributory) the support of which may, in the opinion of the Directors, be calculated directly or indirectly to provide pensions or other benefits for any such persons as aforesaid, their dependents or connections and to institute and maintain any club or other establishment or profit-sharing scheme

calculated to advance the interests of the Company or its officers or employees.

- (K) To establish and support whether by way of covenant or by ad hoc payments or to aid in the establishment and support of any schools or any educational, scientific, literary, religious or charitable institution whether or not the same be connected in any way with any other activity of the Company.
- (L) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.
- (M) To invest and deal with the monies of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (N) To pay for any property or rights acquired by the Company, either in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (O) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred or guaranteed or special rights or restrictions in respect of dividend, repayment of capital, voting or

otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.

- (P) To enter into any partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.
- (Q) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of this Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company.
- (R) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which this Company

is authorised to carry on, or the carrying on of which is deemed likely to benefit this Company or to advance its interests or which is possessed of property suitable for the purposes of the Company.

- (S) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (T) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding-up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.
- (U) To distribute among the members in specie any property of the Company, or any proceeds of sale or dispose of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (V) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone

or in conjunction with others and either by or through agents, trustees, sub-contractors or otherwise.

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

The objects set forth in any of the preceding sub-clauses shall not, except where the context otherwise expressly so requires, be in any manner or degree limited or restricted by reference to or inference from the terms of any other sub-clause or the name of the Company. None of such sub-clauses or the objects therein specified or the names thereby conferred shall be deemed merely subsidiary or ancillary to the objects mentioned in the first sub-clause of this clause but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause.

5. The liability of the members is limited.
6. The Share Capital of the Company is £55,000 divided into 11,000,000 Ordinary shares of $\frac{1}{2}$ p each.*

WE the several persons whose names and addresses and descriptions are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

* Share capital so constituted pursuant to Resolutions dated 6th March 1995.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

	No of Shares
GERARD FITZSIMONS	1
Merlin Place	
Milton Road	
Cambridge	
CB4 4DP	
Solicitor	

MICHAEL THOMAS WOMACK	1
Merlin Place	
Milton Road	
Cambridge	
CB4 4DP	
Solicitor	

DATED the 24th day of March 1993

Witness to the above signatures:

ALISON ANNE WIGLEY
Merlin Place
Milton Road
Cambridge
CB4 4DP
Solicitor

Company Number 2806007

THE COMPANIES ACTS 1985 AND 1989

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

DEAN & BOWES (HOMES) PLC

Index to Articles

Article	Page No.
Interpretation	1
Table A excluded	2
Business	3
Registered office	3
Capital	3
Modification of rights	4
Shares	4
Certificates	5
Lien	7
Calls on shares	8
Transfer of shares	10
Transmission of shares	12
Forfeiture of shares	13
Untraced shareholders	15
Stock	17
Share warrants	18
Increase of capital	18
Purchase of own shares	19
Alteration of capital	20
Redeemable shares	21
General meetings	21
Notice of general meetings	22
Proceedings at general meetings	23
Votes of members	26
Directors	31
Powers of directors	38
Borrowing	41
Executive directors	45
Rotation of directors	46
Proceedings of directors	48
Secretary	52
The seal	53
Authentication of documents	53
Alternate directors	54
Dividends	55
Scrip dividends	58

Reserves	62
Capitalisation of profits and reserves	62
Discovery and secrecy	63
Accounts	63
Auditors	65
Notices	66
Winding up	68
Indemnity	69

No. 2806007

The Companies Acts 1985 and 1989
Public Company Limited by Shares

NEW
ARTICLES OF ASSOCIATION

(Adopted by Special Resolution
passed on 6th March 1995)

of

DEAN & BOWES (HOMES) PLC *

Incorporated on 1st April 1993

Interpretation

1. In these Articles, if not inconsistent with the subject or context, the following words and expressions shall have the meanings stated:

"Act" the Companies Act 1985

"these Articles" these Articles of Association as from time to time altered

"Auditors" the auditors of the Company

"Board of Directors" the directors of the Company or a quorum of directors present at a board meeting

"Debenture" and "Debenture Holder" include debenture stock and debenture stockholder

"London Stock Exchange" The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited

* The name of the Company was changed from Ichnolite Limited to Dean & Bowes (Homes) Limited on 24th May 1993

"Month" calendar month

"Office" the registered office of the Company

"Seal" the common seal of the Company and, as appropriate, any official seal kept by the Company by virtue of section 40 of the Act

"Statutes" the Act and every other Act or statutory instrument concerning limited companies and affecting the Company

"United Kingdom" Great Britain and Northern Ireland

"In Writing" written, printed, typewritten, lithographed or expressed in any other mode representing or reproducing words, or partly one and partly another

"Year" calendar year

References to a statutory provision includes any amendment or re-enactment.

Except for the above definitions, words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

The headings are inserted for convenience and do not affect the construction of these Articles.

Table A excluded

2. The regulations contained in Table A in the Schedule to the Companies Act (Tables A to F) Regulations 1985 shall not apply to the Company.

Business

3. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such times as they think fit, and may be permitted by them to be in abeyance, whether the branch or kind of business commenced or not, so long as the Directors deem it expedient not to commence or proceed with it.

Registered office

4. The Office shall be at such place in England or Wales as the Directors appoint.

Capital

5. At the date of adoption of these Articles the capital of the Company is £55,000 divided into 11,000,000 ordinary shares of ½p each. *

6. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in the Company's Memorandum of Association and in the next following Article), a share (whether forming part of the original capital or not) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company by ordinary resolution determines.

* The Company was incorporated with a share capital of 100 ordinary shares of £1 each. On 28th June 1993 the authorised share capital was increased to 1,000 ordinary shares of £1 each. The current authorised share capital was created pursuant to resolutions passed on 6th March 1995.

Modification of rights

7. Whenever the capital of the Company is divided into different classes of shares or groups and either whilst the Company is a going concern or during or in contemplation of a winding up, the special rights attached to any class or group may be modified or abrogated, subject to the provisions of the Company's Memorandum of Association and unless otherwise provided by the terms of issue of the shares of that class or group, either with the consent in Writing of the holders of three-quarters of the issued shares of the class or group, or with the sanction of any extraordinary resolution passed at a separate general meeting of the holders (but not otherwise). The consent or resolution shall be binding upon all the holders of shares of the class or group. To every separate general meeting all the provisions of these Articles relating to, or to the proceedings at, general meetings shall, *mutatis mutandis*, apply, except that (a) the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class or group (but, if at any adjourned meeting of the holders a quorum as above defined is not present, those members who are present shall be a quorum); (b) any holder of shares in the class or group present in person or by proxy may demand a poll; and (c) the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively. The special rights conferred upon the holders of any shares or class or group of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the conditions of issue, be deemed to be modified by the creation or issue of further shares ranking *pari passu* with them.

Shares

8. Subject to the provisions of the Statutes and any restrictions contained in these Articles and to any

direction to the contrary given by the Company in general meeting, the Directors may allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into, shares to such persons (including a Director) and on such terms as they think fit, but no share shall be issued at a discount.

9. The Company, in connection with the issue of any share, may exercise the powers of paying commissions conferred or permitted by the Statutes provided that the percentage rate or the amount of the commission paid or agreed to be paid is disclosed as required by law and does not exceed the rate of 10 per cent of the issue price of the shares in respect of which it is paid. Where permitted by the Statutes, the commission may be satisfied wholly or partly by the allotment of fully or partly paid shares. The Company may also on an issue of shares pay such brokerage as is lawful.

10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust. The Company shall not be bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except as otherwise provided by these Articles or as by law required or under an order of court) any other rights in respect of any share except an absolute right to the entirety of it in the registered holder. The Company shall not be bound to register more than four persons as the joint holders of a share (except in the case of executors or trustees of a deceased member).

Certificates

11. Every person, except a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of whom the Company is not

by law required to complete and have ready for delivery a certificate, whose name is entered as a member in the register of members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue provide) one certificate for all his shares of each class of shares held by him or, upon payment of such sum not exceeding £1 for every certificate after the first as the Directors determine, several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate. Where a member who is entitled to a certificate has transferred part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding free of charge. Every certificate for shares shall be issued under the Seal or in such other manner as the Directors, having regard to the terms of issue, the Statutes and any applicable regulations of the London Stock Exchange, may authorise. The certificate shall specify the shares or securities to which it relates and the amount paid up and (subject as provided below) shall bear the autographic signatures of at least one Director and the Secretary provided that the Directors may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature. In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

12. If a share certificate is defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and any exceptional out-of-pocket expenses of the Company in investigating the evidence and preparing the indemnity

as the Board thinks fit and, in case of defacement, on delivery of the old certificate to the Company.

Lien

13. Subject to the provisions of section 150 of the Act 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, called or payable at a fixed time in respect of the share whether the period for the payment has actually arrived or not, and notwithstanding that it is the joint debt or liability of the member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends or other moneys payable on or in respect of it, together with any interest or expense which may have accrued. The Directors may resolve that any share is wholly or in part exempt from the provisions of this Article.

14. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, has been given to the holder of the share or the person entitled to it by reason of his death or bankruptcy.

15. To give effect to the sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money and his title to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale. The net proceeds of

sale, after payment of the costs of sale, shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists, so far as it is presently payable. Any residue shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the time of the sale.

Calls on shares

16. The Directors may make calls upon the members in respect of any moneys (whether on account of the nominal value of the shares or by way of premium) unpaid on their shares and not by the conditions of allotment made payable at fixed times, provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share may exceed one-quarter of the nominal amount of the share or be payable within 14 days from the last call. Each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment) pay to the Company at the time and place specified the amount called on his shares. A call may be revoked or postponed as the Directors determine.

17. A call shall be deemed to have been made at the time when the resolution of the Directors authorising it was passed. A call may be made payable by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of it.

19. If a call or instalment payable in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on it from the day appointed for payment to the time of actual payment at such rate, not exceeding 15 per cent per annum, as the Directors determine. He shall also pay all costs, charges and expenses which the Company has incurred or

become liable for in order to procure payment of or in consequence of the non-payment of the call or instalment. The Directors shall be at liberty to waive payment of the interest, costs, charges and expenses, wholly or in part.

20. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, it becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest, costs, charges and expenses, forfeiture or otherwise shall apply as if the sum had become payable by virtue of a call duly made and notified.

21. The Directors may, on the issue of shares, differentiate between the holders in the amount of calls to be paid and the times of payment.

22. The Directors may receive from any member all or any part of the money unpaid upon the shares held by him beyond the sums actually called up as a payment in advance of calls. The payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced. Upon the money received, or so much of it as exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the member and the Directors agree. The member shall not be entitled to participate in respect of the advance in a dividend subsequently declared. The Directors may repay the amount advanced upon giving to the member one month's notice in writing.

Transfer of shares

23. All transfers of shares may be effected by transfer In Writing in any usual or common form, or in any other form approved by the Directors.

24. The instrument of transfer of a share shall be signed by or on behalf of the transferor and (in the case of a partly paid share) the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Subject to the provisions of these Articles, transfers of shares and other documents relating to or affecting the title to any shares shall be registered without payment of any fee. All instruments of transfer which are registered shall be retained by the Company.

25. The Directors may, in their absolute discretion and without assigning any reason, decline to register any transfer of, or which includes, shares which are not fully paid to a person of whom they do not approve. They may also decline to register any transfer of shares upon which the Company has a lien. The Directors may also decline to register any instrument of transfer, unless:

(a) the instrument of transfer, duly stamped, is deposited at the Office or such other place as the Directors may appoint accompanied by the certificate of 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) the instrument of transfer is in respect of only one class of share; and

(c) in the case of a transfer to joint holders, they do not exceed four in number.

26. If the Directors refuse to register a transfer they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal and any instrument of transfer which the Directors decline to register shall (except in the case of fraud) be returned to the person depositing it.

27. The register of transfers may be closed at such times and for such periods (not exceeding 30 days in any year) as the Directors determine.

28. Subject to section 80 of the Act, nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person. For all purposes of these Articles relating to the registration of transfers of shares, this renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.

29. The Company shall be entitled to destroy (a) all instruments of transfer of shares and all other documents on the faith of which entries are made in the register of members at any time after the expiration of 6 years from the date of registration, (b) all dividend mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording, and (c) all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation. If the Company destroys a document in good faith and without notice of any claim (regardless of the parties) to which the document might be relevant, it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, every share certificate so destroyed was a

valid and effective document duly and properly cancelled and every other document mentioned above so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company. Nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any document at an earlier date than that provided above or if the condition as to good faith and absence of notice is not met. References in this Article to the destruction of any document include references to its disposal in any manner.

Transmission of shares

30. In the case of the death of a member the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

31. Subject to any other provisions of these Articles, any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of the law may, upon such evidence as to his title being produced as may be required by the Directors and subject as provided below, either be registered himself as holder of the share or elect to have some person nominated by him registered as transferee.

32. Subject to any other provisions of these Articles, if the person becoming entitled as above elects to be registered himself, he shall give to the Company notice in Writing to that effect. If he elects to have his nominee registered, he must execute in favour of his nominee a

transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to the notice or transfer as if the event giving rise to the transmission had not occurred and the notice or transfer were a transfer executed by the member.

33. Subject to any other provisions of these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, at the discretion of the Directors, receive and give a discharge for any dividends or other moneys becoming payable in respect of the share but shall not otherwise be entitled to receive notices of or to attend or vote at meetings of the Company or to any of the rights or privileges of a member until he has become a member in respect of the share. If he fails either to transfer the share or to elect to be registered as a member in respect of it within 60 days of being required by the Directors to do so, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a member in respect of them and may be registered accordingly.

Forfeiture of shares

34. If a member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for payment, the Directors may, whilst any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.

35. The notice shall name a further day (not being less than 7 days from the date of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that, in the event of

non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Directors may accept the surrender of any share liable to be forfeited and, in such case, references in these Articles to forfeiture shall include surrender.

36. If the requirements of the notice are not complied with, any share in respect of which it has been given may before payment of all calls and interest and expenses due in respect of it has been made be forfeited by a resolution of the Directors. Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.

37. A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder or entitled to it, or to any other person, upon such terms and in such manner as the Directors think fit. At any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit, subject always to the provisions of section 146 of the Act.

38. A shareholder whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest from the date of forfeiture until payment at such rate not exceeding 15 per cent per annum as the Directors determine. The Directors shall be at liberty to waive payment of interest wholly or in part and may enforce payment without any allowance for the value of the shares at the time of forfeiture.

39. When a share has been forfeited, notice of the

forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any failure to give notice.

40. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on a date stated in the declaration 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, together with the relevant share certificate delivered to a purchaser or allottee shall (subject to the execution of a transfer if required) constitute a good title to the share. The person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share. Every Director is authorised to execute on behalf of the shareholder whose share is forfeited a proper instrument of transfer of the share.

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

Untraced shareholders

42. (A) The Company may sell (in such manner and for such price as the Directors think fit) the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if:

(i) during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph (ii) below (or, if published on different dates, the first date), being a period during which at least three dividends have been payable, all warrants and cheques in respect of the shares in question sent in the manner authorised by these Articles have remained uncashed; and

(ii) the Company on expiry of the period of 12 years has inserted advertisements in two national daily newspapers, giving notice of its intention to sell the shares; and

(iii) during the period of 12 years and the period of three months following the publication of the advertisements, or following the later publication of the two advertisements are published on different dates, the Company has received no indication either of the whereabouts or of the existence of the member or person; and

(iv) notice has been given to the London Stock Exchange of its intention to make the sale.

(B) To give effect to a sale the Company may appoint any person to execute as transferor an instrument of transfer of the shares. The instrument of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, the shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for an amount equal to the proceeds and shall enter the name of the former member or other person in the books of the Company

as a creditor for that amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of it and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors think fit.

Stock

43. The Company may by ordinary resolution convert any paid-up shares into stock, or re-convert any stock into paid-up shares of any denomination.

44. The holders of stock may transfer all or any part in the same manner, and subject to the same regulations as and subject to which, the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit. The Directors may fix the minimum amount of stock (not exceeding the nominal amount of the shares from which the stock arose) which is transferable, in which case no stock shall be transferable except in sums of, or in multiples of, the minimum amount. No warrants to bearer shall be issued in respect of any stock.

45. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings and other matters as if they held the shares from which the stock arose. No privilege or advantage (except participation in dividends and in assets on a winding-up) shall be conferred by any stock as would not have been conferred if it existed in shares.

46. All the provisions of these Articles (other than those relating to share warrants) which are applicable to paid-up

shares shall apply to stock, and the words "share" and "shareholder" include "stock" and "stockholder".

Share warrants

47. The Directors may issue warrants ("share warrants") in respect of fully paid up shares stating that the bearer is entitled to the shares specified, and may provide by coupons or otherwise for the payment of future dividends on the shares included in the warrants. The Directors may determine and vary the conditions upon which share warrants are issued and upon which a new share warrant or coupon is issued in the place of one worn out, defaced or destroyed. No new share warrant or coupon shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed. The Directors may also determine and vary the conditions upon which the bearer of a share warrant is entitled to receive notices of and attend and vote at general meetings or to join in requisitioning general meetings, and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares specified in it. The Directors may require the holder or person who claims to be the holder of a share warrant to produce his warrant and to satisfy them that he continues to be the holder. Subject to such conditions and to these Articles, the bearer of a share warrant shall be a member to the full extent. The holder of a share warrant shall hold it subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such warrant.

Increase of capital

48. The Company in general meeting may by ordinary resolution increase its capital by such sum, to be divided into shares of such amounts, as the resolution prescribes.

49. Unless the Company by ordinary resolution at the

general meeting at which the capital is increased otherwise directs, any new shares proposed to be issued shall be offered in the first instance in accordance with section 89 of the Act to all the shareholders for the time being, on the same or on more favourable terms than those offered or to be offered to persons other than shareholders, in proportion to the number of shares of the same class held by them.

50. The new shares shall be subject to the provisions of these Articles with reference to payment of calls, lien, transfer, transmissions, forfeiture and otherwise.

Purchase of own shares

51. (A) Subject to, and in accordance with, the provisions of the Statutes and subject to paragraphs (B) and, where applicable (C) the Company may purchase its own shares (including any redeemable shares).

(B) The Company may not purchase its own shares if at the time of purchase there are outstanding any convertible securities of the Company, unless the purchase has been sanctioned by an extraordinary resolution passed at a separate class meeting of the holders of the convertible securities.

(C) Purchases by the Company of its own redeemable shares shall, where the shares are listed on the London Stock Exchange, be limited to a maximum price which, in the case of purchases through the market or by tender, does not exceed the average of the middle market quotations taken from the London Stock Exchange Daily Official List for the 10 business days before the purchase is made or, in the case of a purchase through the market, at the market price, provided that it is not more than 5 per cent above such average. If the purchases are by tender, tenders shall be made available to all holders of the shares alike.

Alteration of capital

52. The Company may by ordinary resolution:

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(ii) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the nominal amount of the shares cancelled, subject to the provisions of sections 146-149 of the Act; and

(iii) sub-divide all or any of its shares into shares of smaller amount than is fixed by the Memorandum of Association and the resolution may determine that, as between the holders of the shares resulting from the sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

53. Upon a consolidation of fully paid shares into shares of larger amount the Directors may settle any difficulty which arises and in particular may, as between the holders of shares consolidated, determine which shares are consolidated into each consolidated share. In the case of any shares registered in the name or names of one or more members being consolidated with shares registered in the name or names of another member or members, the Directors may make such arrangements for the sale of the consolidated share or for the issue, acceptance or sale of fractional certificates and may sell the consolidated share or the fractions represented by fractional certificates, either upon the market or otherwise, to such person or persons at

such times and at such prices as they think fit. The Directors shall distribute the net proceeds of sale among the members rateably in accordance with their interests in the consolidated share or the fractions represented by the fractional certificates. For the purpose of giving effect to a sale the Directors may appoint some person to transfer the shares or fractions sold to the purchasers.

54. The Company may by special resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner subject to any conditions and consents required by law.

Redeemable shares

55. The Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of the Statutes. The special resolution sanctioning the issue shall also make such alterations to these Articles as are necessary to specify the terms on which and the manner in which the shares are to be redeemed.

General meetings

56. A general meeting shall be held in each year at such time (within a period of not more than 15 months after the holding of the last preceding general meeting) and place as may be determined by the Directors. The general meetings referred to in this Article shall be called annual general meetings. All general meetings other than annual general meetings shall be called extraordinary general meetings.

57. The Directors may convene an extraordinary general meeting whenever they think fit. On the requisition of members in accordance with the Statutes, the Directors shall convene an extraordinary general meeting. Whenever the Director. convene an extraordinary general meeting on

the requisition of members, they shall convene it for a date not more than 6 weeks after the date when the requisition is deposited at the Office (unless the requisitionists consent In Writing to a later date being fixed). If there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

Notice of general meetings

58. In the case of the annual general meeting or of a meeting convened to pass a special resolution at least 21 clear days' notice and in other cases at least 14 days' notice must be given (exclusive in each case of the day on which the notice is served or deemed to be served and of the day for which the notice is given). The notice shall specify the place, the day and the hour of meeting (and in the case of an annual general meeting shall specify the meeting as such) and state with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy, who need not also be a member, to attend and vote instead of him. In the case of special business, the notice must specify the general nature of the business (and, in the case of a meeting convened for passing a special or extraordinary resolution, the intention to propose the resolution as a special or extraordinary resolution as the case may be). The notice shall be given to the Auditors and the Directors and to such members as are, under these Articles, entitled to receive notices from the Company. With the consent In Writing of all, or such less number as is required by the Statutes, of the members entitled to attend and vote, a meeting may be convened by a shorter notice and in such manner as those members think fit. The Company shall comply with the provisions of the Statutes as to giving notice of resolutions and circulating

statements on the requisition of members.

59. The accidental omission to give notice of any meeting, or to send a form of proxy with a notice where required by these Articles, or the non-receipt of a notice or form of proxy, shall not invalidate the proceedings at any general meeting.

Proceedings at general meetings

60. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of declaring dividends, the reading and consideration and adoption of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the re-election of Directors retiring, the election of Directors in the place of those retiring, the voting of remuneration or extra remuneration to the Directors, the appointment of and the fixing of the remuneration of the Auditors and the grant, renewal, limitation, extension or variation of / authority of or to the Board, under section 80 of the Act, to allot securities.

61. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Except as otherwise provided in these Articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation which is a member shall be deemed to be personally present for the purpose of this Article if represented by its representative duly authorised in accordance with Article 78.

62. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened

on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors determine.

63. The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman at every general meeting. If there is no chairman or deputy chairman, or if at any meeting neither the chairman nor a deputy chairman is present within 5 minutes after the time appointed for holding it, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll may elect one of their number to be chairman.

64. The chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not otherwise be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

65. At a general meeting a resolution put to the vote 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 demanded by the chairman or by at least three members present in person or by proxy and entitled to vote or by a member or members entitled to vote and holding or

representing by proxy at least one-tenth part of the total voting rights of all the members having the right to vote at the meeting or by a member or members holding shares conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book 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.

66. If any votes are counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it is pointed out at the same meeting, or at an adjournment, and it is, in the opinion of the chairman of the meeting, of sufficient magnitude to vitiate the resolution.

67. If a poll is duly demanded, it shall be taken at such time (either at the meeting at which the poll is demanded or within 30 days of the meeting) and place and in such manner as the chairman directs (including the use of ballot or voting papers or tickets). The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. No notice need be given of a poll not taken immediately. The chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for declaring the result of the poll. The demand for a poll may be withdrawn before the close of the meeting or the taking of the poll, whichever is the earlier, but, if a demand is withdrawn, the chairman of the meeting or other members entitled to require a poll may himself or

themselves demand a poll.

68. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any votes to which he may be entitled as a member.

69. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Votes of members

70. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member, who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member, shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

71. Where there are joint holders of a share, any one of them may vote at any meeting either personally or by proxy in respect of the share as if he were solely entitled to it, but if more than one joint holder is present at a meeting either personally or by proxy, that one of them whose name stands first in the register of members in respect of the share shall alone be entitled to vote in respect of it.

72. A member, in respect of whom an order has been made by a competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a

show of hands or on a poll, by any person authorised to do so on his behalf and that person may on a poll vote by proxy, provided that such evidence as the Directors require of his authority has been deposited at the Office not less than three days before the time for holding the meeting.

73. No member shall be entitled to vote at any general meeting either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

74. A member holding unclassified shares shall be entitled to vote at any general meeting in respect of those shares, provided that no ordinary share is in issue.

75. No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered. Every vote not disallowed at the meeting shall be valid for all purposes. An objection made in due time shall be conclusive.

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

77. The instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney so authorised. The Directors may, but shall not be bound to, require evidence of the authority of the officer or attorney. A proxy need not be a member of the Company.

78. A corporation holding shares conferring the right to vote may, by resolution of its directors or other governing

body, authorise any of its officials or any other person to act as its representative at any meeting of the Company or at any meeting of holders of any class of shares of the Company. The authorised person shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual member of the Company.

79. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of the power or authority, must be deposited, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the Office or at such other place as is nominated by the Board. In default the instrument of proxy shall not be treated as valid.

80. An instrument of proxy must be in a common form or form which the Directors approve. Proxies need not be witnessed. The proxy shall be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy. The proxy shall, unless it states the contrary, be valid for an adjournment of the meeting as well as for the meeting to which it relates.

81. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or incapacity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in Writing of the death, incapacity, revocation or transfer has been received at the Office at least 48 hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

82. (A) If a member, or a person appearing to be interested in shares held by a member, has been duly served with a notice under section 212 of the Act and is in default for the prescribed period in supplying to the Company the required information, the Directors may at any time, by notice (a "direction notice") to the member, direct that in respect of the shares in relation to which the default occurred (the "default shares") the member is not entitled to vote, either personally or by proxy, at a general meeting or a meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to general meetings of the holders of any class of shares of the Company.

(B) Where the default shares represent at least 0.25 per cent of the issued shares of a class, the direction notice may additionally direct:

(i) that any dividend or other money which would otherwise be payable in respect of each of the default shares shall (in whole or part) be retained by the Company without any liability to pay interest when the dividend or money is paid to the member;

(ii) that no transfer of the default shares shall be registered unless:

(a) the member is not himself in default as regards supplying the information required; and

(b) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares the subject of the transfer is a default share.

10 - 05 - 95

(C) The Company shall send a copy of the notice to each other person appearing to be interested in the shares the subject of a direction notice but the failure or omission by the Company to do so shall not invalidate the notice.

(D) A direction notice shall have effect in accordance with its terms for so long as the default in respect of which it was issued continues and (unless the direction notice otherwise determines) for a further period of one week but shall cease to have effect in relation to any default shares which are transferred by the member by means of an approved transfer.

(E) For the purpose of this Article:

(i) a person shall be treated as appearing to be interested in shares if the member holding the shares has given to the Company a notification under section 212 which either (a) names that person as being interested; or (b) fails to establish the identities of those interested in the shares and (after taking into account the notification and any other relevant section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

(ii) the prescribed period is 28 days from the date of service of the notice under section 212 except that, if the default shares represent at least 0.25 per cent of the issued shares of a class, the prescribed period is 14 days; and

(iii) a transfer of shares is an approved transfer if:

(a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of an offer

made to all the holders (or all the holders other than the offeror and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them or to all the holders (or all the holders other than the offeror and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them; or

(b) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the member and with other persons appearing to be interested in the shares; or

(c) the transfer results from a sale made through a recognised investment exchange as defined in the Financial Services Act 1986 or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded.

(F) Nothing contained in this article shall limit the power of the Directors under section 216 of the Act.

Directors

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

84. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company by ordinary resolution determine. The remuneration shall be divided among them in such proportions and manner as the Directors determine and, in

default of a determination within a reasonable period, equally, except that any Director holding office for less than a year or other period for which remuneration is paid shall rank in the division in proportion to the fraction of the year or other period during which he has held office. The remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or committees of the Directors or general meetings of the Company or in connection with the business of the Company.

85. Subject to the provisions of these Articles and without prejudice to the powers of the Directors under these Articles to appoint any person to be a Director, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but the total number of Directors must not at any time exceed any maximum number fixed by or in accordance with these Articles.

86. Any Director who at the request of the Board performs special services or goes or resides abroad for any purposes of the Company may (unless otherwise expressly resolved by the Company in general meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board determines.

87. No shareholding qualification for Directors is required.

88. Each Director may attend and speak at any general meeting of the Company.

89. The office of a Director shall be vacated in any of the following events, namely:

10 - 05 - 95

(i) if (not being an executive Director whose contract precludes resignation) he resigns his office by notice In Writing left at the Office;

(ii) if he becomes bankrupt or has a receiving order made against him or compounds with his creditors;

(iii) if he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Directors resolve that his office should be vacated;

(iv) if he is absent from meetings of the Directors for 6 months without leave, and his alternate Director (if any) does not during that period attend in his stead, and the Directors resolve that his office should be vacated;

(v) if he is removed or becomes prohibited from being a Director under any provision of the Statutes;

(vi) if he is requested In Writing by all the other Directors to resign his office.

90. (A) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board determines, and may be paid such extra remuneration for it (whether by way of salary, commission, participation in profits or otherwise) as the Board determines. The extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

(B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to

remuneration for professional services as if he were not a Director.

(C) A Director may be or become a director or other officer of, or otherwise interested in, a company promoted by the Company or in which the Company is interested, and shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in that company. The Board may cause the voting power conferred by the shares in another company held or owned by the Company to be exercised in such manner as it thinks fit, including the exercise in favour of a resolution appointing any of the Directors to be directors or officers of that company, or voting or providing for the payment of remuneration to the directors or officers of that company.

(D) A Director shall not vote or be counted in the quorum on a resolution of the Board concerning his own appointment as the holder of an office or place of profit with the Company or another company in which the Company is interested (including the arrangement or variation of its terms or its termination).

(E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms or the termination of the appointment) of two or more Directors to offices or places of profit with the Company or another company in which the Company is interested, a separate resolution may be put in relation to each Director. In such case, 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 (or the arrangement or variation of its terms or its termination) and except (in the case of an office or place of profit with another

company) where the other company is a company in which the Director owns one per cent or more.

(F) Subject to the Statutes and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor or purchaser or in any other manner. No contract or arrangement in which a Director is interested shall be liable to be avoided. The Director shall not be liable to account to the Company or the members for any remuneration, profit or other benefits realised by the contract or arrangement by reason of his holding that office or of the resulting fiduciary relationship.

(G) A Director who to his knowledge is interested, whether directly or indirectly, in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or, in any other case, at the first meeting of the Board after he knows that he is or has become interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with the company or firm shall be a sufficient declaration of interest under this Article in relation to any contract or arrangement made with the company or firm. A notice shall not be effective unless either it is given at a meeting of the Board or the Director giving it takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

(d) Except as otherwise provided by these Articles, a Director must not vote on (or be counted in the quorum in respect of) any resolution of the Board concerning a contract or arrangement or other proposal in which he is to his knowledge, directly or indirectly, materially interested. If he does, his vote shall not be counted. This prohibition does not apply to any of the following matters, namely:

(i) a contract or arrangement for giving to the Director security or an indemnity in respect of money lent by him or obligations undertaken by him at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) a contract or arrangement for the giving by the Company of security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries which the Director has himself guaranteed or secured in whole or in part;

(iii) a contract or arrangement by the Director to subscribe for shares, Debentures or other securities of the Company issued or to be issued pursuant to an offer or invitation to, or to any class of, members or Debenture Holders of the Company, or to, or to any section of, the public, or to underwrite any shares, Debentures or other securities of the Company;

(iv) a contract or arrangement in which the Director is interested by virtue of his interest in shares or Debentures or other securities of the Company or by reason of any other interest in or through the Company;

(v) a contract or arrangement concerning another company (not being a company in which the Director

owns one per cent or more) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise;

(vi) a proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme which relates both to directors and employees of the Company or of any of its subsidiaries which does not accord to the Director as such any privilege or advantage not generally accorded to the employees to which the scheme or fund relates;

(vii) an arrangement for the benefit of employees of the Company or of any of its subsidiaries under which the Director benefits in a similar manner as the employees and which does not accord to the Director as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates.

(I) A company shall be deemed to be a company in which a Director owns one per cent or more if and so long as he is (either directly or indirectly) the holder of or beneficially interested in one per cent or more of any class of its equity share capital or of the voting rights available to its members. For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the trust income, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.

(J) Where a company in which a Director owns one per cent or more is materially interested in a transaction, he

shall also be deemed materially interested in the transaction.

(K) If any question arises at any meeting of the Board as to the materiality of the interest of a Director or as to the entitlement of a Director (in each case, other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, it shall be referred to the chairman of the meeting. His ruling shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to the Director has not been fairly disclosed to the Board. If the question relates to the chairman of the meeting, it shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but may not vote). The resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman as known to him has not been fairly disclosed to the Board.

(L) The Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

Powers of directors

91. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, but subject to any regulations of these Articles, to the provisions of the Statutes, and to such regulations, which are not inconsistent with those regulations or provisions, as may be prescribed by extraordinary resolution of the Company in general meeting. No regulation made by the Company in

general meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made. The general powers given by this Article are not limited or restricted by any special authority or power given to the Directors by any other Article.

92. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company is interested shall be carried on by or through one or more subsidiaries. They may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business or for financing, assisting or subsidising any subsidiary or guaranteeing its contracts, obligations or liabilities. They may appoint, remove and reappoint any person (whether a member of their own body or not) to act as a director, managing director or manager of a subsidiary or any other company in which the Company is interested, and may determine his remuneration (whether by way of salary, commission on profits or otherwise). A Director may retain any remuneration payable to him in respect of the appointment.

93. The Directors may by power of attorney appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they think fit. The power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may authorise the attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

94. (A) The Directors may procure the establishment and maintenance of or participation in or contribution to any

non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, benefits or emoluments to, any person (including directors and other officers whether of the Company or of any other company referred to in this paragraph) who is or has been in the employment of the Company, or of any company which is a subsidiary of the Company or a predecessor in business of the Company or a subsidiary, or of any allied or associated companies of the Company or any such companies and the spouses, widows, widowers, families, dependants or connections of any such persons. No pension, annuity or other allowance or benefit (except as provided for by or in accordance with any other Article) shall be granted to a Director or former Director who has not been an executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director, without the approval of an ordinary resolution of the Company.

(B) The Directors may establish, maintain and give effect to any scheme approved by an ordinary resolution for the allotment of or the grant of options to subscribe for shares of the Company to persons (including Directors) in the employment of the Company or any subsidiary of the Company and may exercise all the powers conferred on them by the scheme (including any power to alter or add to its provisions). These Articles shall be deemed to be modified so far as may be necessary to give effect to the scheme in respect of any shares in issue or under option.

(C) The Directors may procure any of the matters referred to in this Article are done by the Company either alone or in conjunction with any other company.

95. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Directors determine.

Borrowing

96. (A) The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the Statutes, to issue Debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

(B) The Board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (but as regards subsidiaries only in so far as, by the exercise of the rights or powers of control, the Board can secure) that the aggregate principal amount outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member) does not, without the previous sanction of an ordinary resolution, exceed the greater of:

(a) £2,000,000; or

(b) an amount equal to three times the Adjusted Capital and Reserves.

(C) For this purpose:

(1) "the Adjusted Capital and Reserves" means at any time the aggregate of:

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

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

(ii) "borrowings" include the following except in so far as otherwise taken into account:

(a) the nominal amount of any issued share capital and the principal amount of any Debenture or borrowed moneys of any person, the beneficial interest in which is not owned by a member of the Group and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group, but excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;

(b) the outstanding amount raised by acceptances by a bank or accepting house under an acceptance credit opened on behalf of and in favour of a member of the Group, excluding acceptances of trade bills for the purchase of goods in the ordinary course of business;

(c) the principal amount of any Debenture of a

member of the Group owned otherwise than by another member of the Group;

(d) the principal amount of any preference share capital of a subsidiary owned otherwise than by a member of the Group; and

(e) any premium payable on repayment of any borrowing or deemed borrowing;

but does not include:

(f) borrowings for the purpose of repaying the whole or any part of borrowings by a member of the Group within six months of being borrowed, pending their application for that purpose within that period; and

(g) borrowings for the purpose of financing a contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department fulfilling a similar function, to an amount not exceeding the part of the price which is guaranteed or insured;

(iii) when the aggregate principal amount of borrowings to be taken into account for the purposes of this Article on any particular date is being ascertained:

(a) moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on

that date in London or, if the amount of borrowings would as a result be less, at the rate of exchange prevailing in London six months before that date. For this purpose the rate of exchange shall be taken as the middle market rate as at the close of business; and

(b) where under the terms of borrowing the amount of money that would be required to discharge the principal amount in full if it fell to be repaid (at the option of the Company or by reason of default) on that date is less than the amount that would otherwise be taken into account in respect of that borrowing for the purpose of this Article, the amount of the borrowing shall be taken to be the lesser amount;

(iv) "audited balance sheet" means the then latest audited balance sheet of the Company prepared for the purposes of the Statutes unless there has then been prepared for those purposes and audited a consolidated balance sheet of the Company and its subsidiaries (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Statutes); and in the latter event "audited balance sheet" means the audited consolidated balance sheet, the references to reserves and profit and loss account being references to the consolidated reserves and consolidated profit and loss accounts respectively, any amounts attributable to outside interests in subsidiaries being excluded. The Company may change the accounting convention on which the audited balance sheet is based, provided it complies with the requirements of the Statutes. If the Company prepares its main audited balance sheet on the basis of one convention but a supplementary audited balance sheet or statement on the basis of another, the main

audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article;

(v) "the Group" means the Company and its subsidiaries (if any).

(D) A certificate or report by the Auditors as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive for the purposes of this Article.

(E) Notwithstanding the foregoing, no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed. No borrowing incurred or security given in excess of the limit shall be invalid or ineffectual, except in the case of express notice to the lender or the recipient of the security given that the limit had been or would be exceeded.

Executive directors

97. The Directors may appoint one or more of their number to an executive office including the office of chairman, vice-chairman, managing Director, joint managing Director, assistant managing Director or manager or any other salaried office for such period and on such terms as they think fit. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company, his appointment shall automatically determine if he ceases from any cause to be a Director, or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an executive Director should be determined.

98. A Director holding office pursuant to the last preceding Article shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors determine. The remuneration shall, unless otherwise agreed, be additional to such remuneration (if any) as is payable to him as a Director. The Director shall be a director for the purposes of and subject to the provisions of section 319 of the Act.

99. The Directors may entrust to and confer upon a Director holding executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may revoke, withdraw or vary any of the powers.

Rotation of directors

100. At every annual general meeting any Directors who are bound to retire under Article 106 and one-third of the other Directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting.

101. The Directors to retire on each occasion shall be those who have been longest in office since their last election but, as between persons who became or were re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting. No Director shall be required to retire or be relieved from

retiring by reason of any change in the number or identity of the Directors after the date of the notice but before the close of the meeting.

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

103. Subject to the provisions of these Articles, the Company at the meeting at which a Director retires may elect a person to fill the vacated office. In default, the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at the meeting it is expressly resolved not to fill the vacated office or unless a resolution for the re-election of the Director has been put to the meeting and lost.

104. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting, unless not less than 7 nor more than 21 days before the date appointed for the meeting there has been left at the Office a notice In Writing, signed by a member (not being the person to be proposed) duly qualified to attend and vote at the meeting, of his intention to propose the person for election, and a notice In Writing signed by that person of his willingness to be elected.

105. The Company in general meeting may increase or reduce the number of Directors and may determine in what rotation the increased or reduced number is to go out of office.

106. The Directors may appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not exceed the maximum number fixed by or in accordance with these Articles. The Director shall hold office only until the next following annual general meeting and shall then be eligible for re-election. A Director who

retires under this Article shall not be taken into account in determining the Directors who are to retire by rotation at the meeting.

107. The Company may, by ordinary resolution of which special notice has been given in accordance with section 379 of the Act, remove any Director (including a managing Director or other executive Director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office and may by an ordinary resolution appoint another person in his place. The person who is appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Proceedings of directors

108. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time, and the Secretary on the requisition of a Director shall, summon a Board meeting.

109. Notice of a Board meeting may be given to a Director personally or by word of mouth or sent In Writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings during his absence are sent to him In Writing at his last known address or any other address given by him to the Company for this purpose. In the absence of a request it shall not be necessary to give notice of a Board meeting to a Director who is absent from the United Kingdom. A Director may waive notice of a

meeting either prospectively or retrospectively.

110. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless fixed at any other number, shall be two.

111. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board. If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there are no Directors or no Director able or willing to act, any two members may summon a general meeting of members for the purpose of appointing Directors.

112. If the Directors have not appointed a chairman or vice-chairman pursuant to Article 97, or if at any meeting neither the chairman nor the vice-chairman is present within five minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairman of the meeting.

113. The Board may establish local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of the local boards, or to be managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than the power to borrow and make calls), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies and to act notwithstanding vacancies. An appointment or delegation may be made upon such terms

and subject to such conditions as the Board thinks fit. The Board may remove any person appointed as above and may revoke or vary any delegation, but a person dealing in good faith and without notice of the revocation or variation shall not be affected by it.

114. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Directors.

115. The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit and may revoke a delegation and discharge a committee in whole or in part. A committee shall in the exercise of the powers delegated to it conform to any regulations that are imposed by the Directors.

116. The meetings and proceedings of a committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as they are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

117. A member of the Board, or of a committee of the Board, may participate in a meeting of the Board or the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

118. A resolution In Writing, signed by all or a majority of the Directors entitled to notice of a meeting of the

10 - 05 - 95

Directors or by all of the members of a committee, shall be as valid as if it had been passed at a Board meeting or a meeting of the committee duly called and constituted. The resolution may consist of several documents in the like form each signed by one or more of the Directors or members of the committee. For the purpose of this Article, the signature of an alternate Director entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.

119. The Directors shall cause minutes to be made in books provided for the purpose:

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

(b) of the names of all the Directors present at each Board meeting and meeting of a committee of Directors;

(c) of all resolutions and proceedings at meetings of the Company and of any class of members of the Company and of the Directors and of any committee of Directors.

The minutes, if purporting to be signed by the chairman of the meeting at which the appointments were made, or the Directors were present, or the resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company, or class of members of the Company, or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in it.

120. All actions done by any Board meeting, or meeting of a committee of Directors, or by a person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some

defect in the appointment of any Director, or of the person acting as a Director, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if each of them had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

121. The Directors may appoint any person to an office or employment having a title including the word "director" or attach such a title to any existing employment with the Company and may terminate the appointment or the use of the title. The inclusion of the word "director" in the title of any office or employment (other than the office of managing or joint managing or deputy or assistant managing director) does not imply that the employee is a Director and the employee shall not as a result be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

Secretary

122. The Secretary shall be appointed by the Directors at such remuneration and upon such terms as they think fit. The Secretary may be removed by the Directors. The Directors may appoint an assistant Secretary or assistant Secretaries and temporary substitutes for the Secretary. An assistant Secretary or temporary substitute shall for the purpose of these Articles be deemed to be and may fulfil the duty of the Secretary subject to any limitation prescribed by the Directors.

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

The seal

124. The Seal shall be used only 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. Unless otherwise determined and except as provided in Article 11, it shall be signed by a Director and by the Secretary or by a second Director or some other person approved by the Board

125. The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and the powers shall be vested in the Board.

126. A document signed by a Director and by the Secretary or another Director and expressed, in whatever form of words, to be executed by the Company shall have the same effect as if it were under seal. A document executed in this way which makes it clear on its face that it is intended to be a deed, in whatever form of words, has effect, upon delivery, as a deed.

Authentication of documents

127. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors under this Article.

Alternate directors

128. (A) A Director may appoint any person who is approved by the Board to be an alternate Director, and may remove from office an alternate Director appointed by him.

(B) An alternate Director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) to receive notices of all meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a Director at any of the meetings at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in the absence of the appointor. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own if he is himself a Director, and, where the quorum exceeds two, he shall be considered as two Directors for the purpose of making a quorum.

(C) An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director. If a Director retires by rotation but is re-elected by the meeting at which the retirement takes effect, an appointment made by him under this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not retired.

(D) All appointments and removals of alternate Directors shall be effected by notice In Writing by the Director making or revoking the appointment given to the Company at the Office or at a duly convened and held meeting of the Board.

(E) An alternate Director may be repaid by the

Company such expenses as might properly be repaid to him if he were a Director. He shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as his appointor by notice In Writing to the Company directs. He shall not otherwise in respect of the appointment be entitled to receive any remuneration from the Company. An alternate Director may be indemnified by the Company to the same extent as a Director.

(F) An alternate Director shall be an officer of the Company. He shall alone be responsible to the Company for his own acts or defaults and shall not be deemed to be the agent of or for the Director appointing him.

Dividends

129. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly. No dividend or interim dividend may be paid otherwise than in accordance with Part VIII of the Act.

130. No dividend shall be payable except out of the profits of the Company (including profits set aside to any reserve fund under Article 144) or in excess of the amount recommended by the Directors.

131. Dividends must be declared and paid according to the amounts paid on the shares in respect of which the dividends are paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share. Dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid but, if any share is issued on terms

providing that it ranks for dividend as from a particular date, the share shall rank for dividend accordingly.

132. The Directors must transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company are issued.

133. The Directors may pay such interim dividends as appear to them to be justified by the profits of the Company. If the capital of the Company is divided into different classes of shares the Directors may pay interim dividends in respect of those shares which confer on the holders deferred or non-preferred rights as well as in respect of those shares which confer on the holders preferential or special rights with regard to dividends. Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of any shares for any damage that they suffer by reason of the payment of an interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which is payable at a fixed rate if they are of the opinion that the profits justify the payment.

134. A general meeting declaring a dividend or bonus may direct payment of the dividend or bonus wholly or partly by the distribution of specific assets and, in particular, of paid up shares or Debentures of another company or in any one or more of these ways. The Directors shall give effect to the resolution and, where a difficulty arises in regard to the distribution, the Directors may settle it as they think expedient. In particular they may issue certificates in respect of fractions and fix the value for distribution of specific assets, may determine that cash payments are made to any members upon the footing of that value in order to adjust the rights of all parties and may vest the assets in trustees as may seem expedient to the Directors.

135. A resolution of the Company or of the Directors declaring a dividend may specify any date as the record date for the dividend, whether or not prior to the date on which the resolution is passed.

136. The Directors may deduct from any dividend or bonus payable to a member any sums presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

137. No unpaid dividend, bonus or interest shall bear interest as against the Company.

138. The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

139. The Directors may retain the dividends and bonuses payable upon shares in respect of which any person is, under the provisions of these Articles relating to the transmission of shares, entitled to become a member, or which any person under those provisions is entitled to transfer, until he becomes a member in respect of the shares or duly transfers them.

140. A dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled to it, or by direct bank transfer to such bank account as the member or person entitled to it directs, and in case of joint holders to any one of them or to such person and such address or such bank account as the joint holders may direct. The cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the member, person entitled or joint holders direct. Payment of the cheque or warrant shall be

a good discharge to the Company. Every cheque or warrant shall be sent at the risk of the person entitled to the money which it represents.

141. If several persons are registered as joint holders of a share, any one of them may give an effectual receipt for any dividend or other moneys payable on or in respect of the share.

142. All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Dividends unclaimed for 12 years after having been declared shall, unless the Directors otherwise resolve, be forfeited and revert to the Company.

Scrip dividends

143. (A) The Directors may, if authorised by an ordinary resolution, offer any holders of ordinary shares one or more of the following options:

(a) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, either to invest the cash in subscribing for unissued ordinary shares, payable in full or by instalments, or in paying up in full or by instalments any unpaid or partly paid ordinary shares held by them; or

(b) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Directors) of any dividend declared or payable on any ordinary shares held by them, to elect to receive new ordinary shares credited as fully paid; or

(c) to forego their entitlement to all or any part (to be determined by the Directors) of any dividend

declared or payable on any ordinary shares held by them and to take instead fully paid bonus ordinary shares; or

(d) any other option in respect of all or any part (to be determined by the Directors) of any dividend on any ordinary shares held by them as the Directors determine.

(B) In relation to the above options, the following provisions apply:

(a) the ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period;

(b) the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of the entitlement shall be, as nearly as possible, equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that the holder elects to forego. In calculating the entitlement, the Directors may, at their discretion, adjust the figure obtained by dividing the relevant value by the amount payable on the ordinary shares up or down so as to procure that the entitlement of each shareholder to new ordinary shares is represented by a simple numerical ratio. For this purpose, "relevant value" shall, where the shares are listed on the London Stock Exchange, be calculated by reference to the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange as derived from the Daily Official List, on such five consecutive dealing days as the Directors determine, provided that the first day is on or after the day on which the ordinary shares are first quoted "ex" the

relevant dividend, or otherwise shall be calculated in such other manner as may be determined by or in accordance with the ordinary resolution;

(c) on or as soon as practicable after announcing that they are to declare or recommend any dividend the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment if they decide to proceed with the offer, notify the holders of ordinary shares in writing of the right of election offered to them and specify the procedure to be followed and the place at which and the latest time by which elections must be lodged in order for elections to be effective;

(d) the Directors shall not proceed with any election unless the Company has sufficient unissued shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;

(e) the Directors may exclude from any offer any holders of ordinary shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;

(f) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (the "elected ordinary shares") and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated above. For this purpose the Directors may capitalise,

out of any amount standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not it is available for distribution as the Directors determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis;

(g) the additional ordinary shares when allotted shall rank pari passu in all respects with the fully paid ordinary shares then in issue except that they will not be entitled to participate in the relevant dividend or in that part of the dividend in respect of which the right of election was offered;

(h) the Directors may also from time to time establish or vary a procedure for election mandates, under which a holder of ordinary shares may elect to receive ordinary shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;

(i) the Directors may undertake and do such acts and things as they consider necessary or expedient for the purpose of giving effect to this Article including (without limitation) making such provisions as they think fit in relation to any fraction of an ordinary share which may or would arise from the application of this paragraph (B) (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the

10 - 05 - 95

Company rather than to the shareholders concerned or under which fractional entitlements are accrued or retained and in each case accumulated on behalf of any shareholder and the accruals or retentions are applied to the allotment of fully paid ordinary shares by way of bonus to, or cash subscriptions on behalf of, the shareholder).

Reserves

144. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied. Pending application the sum reserved may either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors think fit. The Directors may, without placing them to reserve, carry forward any profits which they think it prudent not to divide.

Capitalisation of profits and reserves

145. Subject to section 80 and Part VIII of the Act, the Company in general meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise an amount standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that it is set free for distribution among the members who would have been entitled to it if distributed by way of dividend and in the same proportions on condition that it is not paid in cash but is applied either in or towards paying up any amounts unpaid on shares held by the members or paying up in full unissued shares or Debentures of the Company to be allotted and distributed, credited as fully paid up, to and among those members in those proportions, or partly in the one way and partly in the

10 - 05 - 95

other. The Directors shall give effect to the resolution.

146. Whenever a resolution is passed under the preceding Article, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised. Subject to section 80 of the Act, the Directors shall make all allotments and issues of fully paid shares, Debentures or securities, if any, and generally shall do all acts and things required to give effect to the resolution. The Directors may make such provision by the issue of certificates in respect of fractions or by payment in cash or otherwise as they think fit for the case of shares, Debentures or securities becoming distributable in fractions. The Directors may authorise any person to enter into an agreement with the Company, on behalf of the members interested, providing for the allotment to them, credited as fully paid up, of any shares, Debentures or securities to which they may be entitled upon the capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application of their proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under the authority shall be effective and binding on all the members.

Discovery and secrecy

147. No member shall be entitled to require discovery of any information respecting any details of the Company's trading or any matter in the nature of a trade secret or secret process which relates to the conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.

Accounts

148. The Directors shall cause true accounts to be kept:

(a) of the sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;

(b) of all sales and purchases of goods by the Company; and

(c) of the assets and liabilities of the Company.

149. The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than as Director) shall have any right of inspecting any account, book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.

150. The Directors shall not be bound, unless expressly instructed so to do by an extraordinary resolution of the Company in general meeting, to publish any list or particulars of the securities or investments held by the Company or to give to any shareholder any information relating to them.

151. Once at least in every year the Director shall lay before the Company in general meeting a profit and loss account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a balance sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable heads, both made up to a date not more than 7 months before the meeting. If the Company is a holding company as defined by the Statutes, there shall also (except in so far as the Statutes otherwise permit) be laid before the Company in general meeting a consolidated

balance sheet dealing with the state of affairs at the end of the Company's financial year of the Company and its then subsidiary undertakings and a consolidated profit and loss account dealing with the profit or loss for the Company's financial year of the Company and its then subsidiary undertakings. The Directors shall in preparing every such profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet have regard to the applicable provisions of the Statutes.

152. Every balance sheet, profit and loss account, consolidated balance sheet and consolidated profit and loss account shall be signed in such manner as is required by the Statutes. There shall be attached to the balance sheet a report by the Directors as required by the Statutes.

153. Except as provided in the next following Article, a copy of the report by the Directors and of the Auditors' report, accompanied by the balance sheet (including every document required by law to be annexed or attached to it), and profit and loss account, consolidated balance sheet and consolidated profit and loss account, shall, at least 21 days before the annual general meeting, be delivered or sent by post to the registered address of every member and every holder of Debentures of the Company. The required number of copies of each of these documents shall in accordance with any applicable regulations of the London Stock Exchange at the same time be forwarded to the appropriate department of the London Stock Exchange.

154. The Company may, in accordance with section 251 of the Act and any regulations made under it, send a summary financial statement to any member instead of or in addition to the documents referred to in the preceding Article.

Auditors

155. The Company shall at each annual general meeting

appoint Auditors to hold office until the next annual general meeting.

156. No Director or other officer of the Company and no person who is a partner of or in the employment of an officer of the Company, and no corporation may be appointed as an Auditor. The duties of the Auditors shall be regulated in accordance with the Statutes.

157. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment.

Notices

158. Any notice or document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to him at his registered address as appearing in the register of members. A member is entitled to receive notices from the Company notwithstanding that his registered address as appearing in the register of members is outside the United Kingdom. In the case of joint holders of a share, notices shall be given to that one of the joint holders whose name stands first in the register of members and notice given to him shall be sufficient notice to all the joint holders.

159. Any notice or other document, if served by post, shall be deemed to have been served at the expiration of 24 hours after the time when the letter containing it is posted. In proving service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.

160. Any notice or document delivered or sent by post to or

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

161. A notice required to be given by the Company to members and not expressly provided for by these Articles shall be sufficiently given if given by advertisement. A notice required to be or which may be given by advertisement shall be advertised once in one national daily newspaper and shall be taken as given on the day on which the advertisement appears. If by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, it may be convened by notice advertised in at least two leading daily newspapers with appropriate circulation, of which one is a leading London daily newspaper. The notice shall be deemed to have been duly served on all members entitled to it at noon on the day when the advertisement appears. The Company shall send confirmatory copies of the notice by post if at least 48 hours prior to the meeting the posting of notices to addressees within the United Kingdom again becomes practicable.

162. Every person who by operation of law, transfer or other means becomes entitled to any share shall be bound by every notice in respect of the share which, prior to his name and address being entered in the register of members, has been duly given to the person from whom he derives his

title other than a notice given under Article 82 or section 212 of the Act.

Winding up

163. On a winding up of the Company, the balance of the assets available for distribution, after deduction of any provision made under section 719 of the Act and subject to any special rights attaching to any class of shares, shall be applied in repaying to the members of the Company the amounts paid up on the shares held by them. Any surplus assets will belong to the holders of any ordinary shares then in issue according to the numbers of shares held by them, or if no ordinary shares are then in issue, to the holders of any unclassified shares then in issue according to the numbers of shares held by them.

164. If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an extraordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of properties of different kinds. He may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how the division is carried out as between the members or different classes of members. He may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the same authority thinks fit, but no contributory shall be compelled to accept any shares in respect of which there is a liability.

165. The power of sale of a liquidator includes a power to sell wholly or partially for shares or Debentures, or other obligations of another company either then already constituted or about to be constituted, for the purpose of carrying out the sale.

Indemnity

166. Except so far as the provisions of this Article are avoided by any provisions of the Statutes, the Directors, executive Directors, Auditors, Secretary and other officers of the Company, and their respective executors or administrators, shall to the extent permitted by the Statutes be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, unless incurred through their own wilful neglect or default. None of them shall be answerable for the acts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or assets of the Company are lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company are placed out or invested, or for any other loss or damage which happens in the execution of their offices, unless resulting from their own wilful neglect or default. Subject to the provisions of the Act, the directors may purchase and maintain insurance at the expense of the Company for the benefit of any director or other officer or auditor of the Company against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done by him as a director, officer or auditor.

NOTREG.DBH



Company Number: 2806007

DEAN & BOWES (HOMES) LIMITED

NOTICE is hereby given that at an Extraordinary General Meeting of the Company held on the 6th day of March 1995 the following Resolutions were each passed as Special Resolutions:

SPECIAL RESOLUTIONS

1. THAT upon the recommendation of the Directors it is desirable to capitalise the sum of £50,225 (including £4,100 standing to the credit of the Company's share premium account) and accordingly that the Directors be authorised and directed to appropriate the said sum for distribution to the holders of Ordinary Shares on the Register of Members of the Company immediately prior to the passing of this Resolution in proportion to the amounts paid up on such shares each then held by them respectively and to apply such sum on behalf of those holders in paying up in full 50,225 Ordinary Shares of £1 each in the capital of the Company such shares to be allotted and distributed credited as fully paid to and amongst those holders in the proportion of forty-nine (49) new shares for each share held at that time and that such shares shall rank pari passu with the existing issued shares of that class provided that this authority shall expire on 5 years from the date hereof.
2. THAT upon completion of the allotment of 50,225 Ordinary Shares in the capital of the Company pursuant to the authority conferred pursuant to Resolution 1 above the Company's authorised share capital of 55,000 £1 Ordinary Shares be consolidated and sub-divided into 11,000,000 Ordinary Shares of 0.5p each.
3. THAT the Company be re-registered as a public company under

the Companies Act 1985 with the name of Dean & Bowes (Homes) PLC.

4. THAT the Memorandum of Association of the Company be amended as follows:
 - (a) in clause 1 by the substitution for the word "Limited" of "PLC";
 - (b) by the insertion after clause 1 of the following new clause:

"2. The company is to be a Public Company";
 - (c) by renumbering clauses 2, 3, 4 and 5 as clauses 3, 4, 5 and 6.
5. THAT the Company adopt new Articles of Association of the Company in the form produced to the meeting and initialled by a Director of the Company for the purpose of identification in substitution for the Articles of Association of the Company currently in force.
6. THAT the Directors of the Company be and they are hereby generally authorised for the purposes of Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (as defined by Section 80(2) of the Companies Act 1985) up to an aggregate nominal amount of £55,000 at any time during the period from the date on which this resolution was passed up to and including 31st January 2000 on which date the authority given by this resolution shall expire and such authority shall allow the Company to make an offer or agreement before the expiry of the authority which would or might require shares to be allotted or rights to subscribe for or convert any security into shares to be granted after the expiry of the authority.
7. THAT the Directors of the Company be and they are hereby empowered pursuant to Section 95 of the Companies Act 1985

to allot equity securities (within the meaning of section 94 as defined for the purpose of Section 95 of the Companies Act 1985) pursuant to the powers conferred on the Directors by the foregoing resolution as if section 89(1) of that Act did not apply to any such allotment.

.....
Director/Secretary

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COMPANIES FORM No. 122

Notice of consolidation, division, sub-division, redemption or cancellation of shares, or conversion, re-conversion of stock into shares

122

Please do not write in this margin

Pursuant to section 122 of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number

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2806007

Name of company

*Insert full name of company

* DEAN & BOWES (HOMES) LIMITED

gives notice that:

On 6th March 1995 the 55,000 ordinary shares of £1 each in the capital of the company were consolidated and subdivided into 11,000,000 ordinary shares of 1/4p each.

Insert Director, Secretary, Administrator, Administrative Receiver or Receiver (Scotland) as appropriate

Signed

J. J. H.

Director

Designation Date

6th March 1995

Presenter's name, address and reference (if any):

TAYLOR
VINTERS
SOLICITORS
MERLIN PLACE, MILTON ROAD
CAMBRIDGE CB4 4DP
TEL: 66

For official use
General Section

Post room



OYEZ The Solicitors' Law Stationery Society Ltd, Oyez House, 7 Spa Road, London SE16 3QC

Companies G122

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COMPANIES FORM No. 123

Notice of increase in nominal capital

123

Please do not
write in
this margin

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use Company number

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2806007

Name of company

*Insert full name
of company

* DEAN & BOWES (HOMES) LIMITED

gives notice in accordance with section 123 of the above Act that by resolution of the company dated 6th March 1995 the nominal capital of the company has been increased by £ 54,000 beyond the registered capital of £ 1,000.

†The copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached.†

The conditions (e.g. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follows:

The new shares are 54,000 Ordinary Shares of £1 each ranking pari passu with the existing Ordinary Shares in the capital of the Company

Please tick here if
continued overleaf

☐

Insert Director,
Secretary,
Administrator,
Administrative
Receiver or Receiver
(Scotland) as
appropriate

Signed



Designations Director

Date 6th March 1995

Presenter's name, address and
reference (if any):

TAYLOR
VINTERS
SOLICITORS
MERLIN PLACE, MILTON ROAD
CAMBRIDGE CB4 4DP.

ref: 66

For official use

General section

Post room



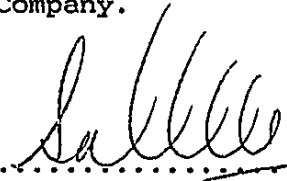
NOTICE2.DBH

DEAN & BOWES (HOMES) LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Company held *Merlin Place Milton Road Cambridge* on the *6th* day of March 1995 the following resolution was passed as an Ordinary Resolution :-

RESOLUTIONS

1. That the authorised share capital of the Company be increased to £55,000 by the creation of a further 54,000 Ordinary Shares of £1 each ranking pari passu with all other ordinary shares in the capital of the Company and bearing the rights and privileges conferred on those shares by the Memorandum and Articles of Association of the Company.


.....
Director/Secretary



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Original PAs seen
km.

2806007

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about this offer you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial advisor appropriately authorised under the Financial Services Act 1986.

A copy of this document, which comprises a prospectus in accordance with Sections 56 and 63 of the Companies Act 1985, together with the contracts referred to in paragraph 6 and the consents referred to in paragraphs 9b, 9c and 9d of Appendix 7 of this document have been delivered to the Registrar of Companies in England and Wales for registration as required by Sections 64 and 65 of the Companies Act 1985. ✓

If you have sold or transferred all your shares in Blanchards PLC, please forward this document, at once, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. Please also notify Independent Registrars Group Limited (whose address is shown on page 3) who will issue a new Form of Acceptance to the purchaser or transferee.

It is emphasised that the DBH Shares are not listed on any stock exchange. No application has been made for the DBH Shares to be admitted to the Official List or dealt in on the Unlisted Securities Market of the London Stock Exchange. However, application has been made to the London Stock Exchange for permission for the DBH Shares to be dealt in under Rule 4.2. It is expected that dealings will commence on 12th April 1995.

OFFER

[Signature]
S. Dean for himself, Director

by

[Signature]
N.S. Saunders, Director
by his agent S. Dean

DEAN & BOWES (HOMES) PLC

[Signature]
C. Glas, Proposed Director
by his agent S. Dean

to acquire the whole of the
issued ordinary share capital

Dean & Bowes (Homes) PLC

of

[Signature]
S. Dean, Director

[Signature]
N.S. Saunders, Director
by his agent S. Dean

BLANCHARDS PLC

The procedures for acceptance of this Offer are set out on page 21. Acceptances should be despatched as soon as possible but in any event so as to arrive not later than 1.00 p.m. on 11th April 1995.

Notice of an Extraordinary General Meeting of Blanchards PLC to be held at 10.00 a.m. on 11th April 1995 is set out on pages 46 and 47. To be valid, the accompanying Form of Proxy to be used at the EGM must be completed in accordance with the instructions printed thereon and returned to be received as soon as possible but in any event so as to arrive no later than 10.00 a.m. on 10th April 1995.



CONTENTS

	<u>PAGE</u>
1. Definitions	2
2. Directors, Proposed Director and Advisors	3
3. Letter from the Chairman of Blanchards PLC	4
4. Offer Letter from Dean & Bowes (Homes) PLC	8

Appendices

1. Conditions and Further Terms of the Offer	15
2. Acceptance and Settlement	21
3. Financial Information on the Offeror	22
4. Financial Information on Blanchards	32
5. Pro Forma Statement of the Net Assets of the Offeror following the Completion of the Offer	36
6. Valuation of the DBH Shares	37
7. Additional Information	38

Notice of Extraordinary General Meeting.	46
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DEFINITIONS

In this document the following expressions shall have the following meanings:-

"Act" means the Companies Act 1985 as amended

"Blanchards" means Blanchards PLC (Registered Number 1075532)

"Blanchards Directors" means Mr Colin Glass, Mr Trevor Barker and Mr Melvyn Levi all of Convention House, St Mary's Street, Leeds, LS9 7DP

"Blanchards Shares" means issued fully paid ordinary shares of 10 pence each of Blanchards at the date hereof

"Code" means the City Code on Takeovers and Mergers

"Conditions Precedent" means the conditions contained in Part A of Appendix 1

"Creditors" means the creditors of Blanchards to whom the offer described in paragraph 16 on page 10 has been made and who are listed in paragraph 2h of Appendix 7

"DBH Directors" means Mr Stephen Dean and Mr Norman Stanley Saunders both of Hemingford House, Glebe Road, Huntingdon, Cambridgeshire PE18 7DX

"DBH Shares" means issued fully paid ordinary shares of 0.5pence each of the Offeror

"EGM" means the extraordinary general meeting of Blanchards to be held at 10.00 a.m. on 11th April 1995

"Form(s)" or "Form(s) of Acceptance" means the Form of Acceptance and Transfer relating to the Offer accompanying this document

"Independent Blanchards Directors" means Mr Melvyn Levi and Mr Trevor Barker both of Convention House, St Mary's Street, Leeds LS9 7DP

"Independent Blanchards Shareholders" means the Shareholders except for Port Cullis Investment Company SA (which holds Blanchards Shares in trust for Mr Melvyn Levi) and Mr Colin Glass

"London Stock Exchange" means The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited

"Lots Road Property" means Units 14 and 15, 92 Lots Road, Chelsea, London SW10

"Offer" means the offer, contained in this document, by the Offeror to acquire Blanchards Shares

"Offeror" means Dean & Bowes (Homes) PLC (Registered Number 2806007)

"Panel" means the Panel on Takeovers and Mergers of The Stock Exchange Building, London, EC2P 2JX

"Proposed Director" means Mr Colin Glass of Convention House, St Mary's Street, Leeds, LS9 7DP

"Receiving Agents" means Independent Registrars Group Limited of Balfour House, 390/398 High Road, Ilford, Essex, IG1 1NQ

"Rule 4.2" means rule 4.2 of the London Stock Exchange

"Shareholders" means a/the holder/s of Blanchards Shares.

DIRECTORS, PROPOSED DIRECTOR AND ADVISORS

Current Board of Directors of the Offeror
 Stephen Dean - Chairman
 Norman Stanley Saunders F.C.A. P/A
 Non-Executive Director

Proposed Board of Directors of the Offeror
 Stephen Dean - Chairman
 Norman Stanley Saunders - F.C.A.
 Non-Executive Director
 Colin Glass B.Sc (Econ) F.C.A. - P/A
 Non-Executive Director

Secretary and Registered Office:
 Norman Stanley Saunders
 Hemingford House
 Glebe Road
 Huntingdon
 Cambridgeshire
 PE18 7DX

Financial Advisors to Blanchards:
 Keith, Boyley, Rogers, & Co.
 Member of the London Stock Exchange
 and the Securities and Futures Authority
 Ebbark House
 93-95 Borough High Street
 London
 SE1 1NL

Solicitors to the Offeror:
 Taylor Vinters
 Merlin Place
 Milton Road
 Cambridge
 CB4 4DP

Solicitors to Blanchards:
 Teeman Levine
 Aire House
 Swinegate
 Leeds
 LS1 4AG

Auditors of the Offeror:
 Price Waterhouse
 Southgate House
 61 Millstone Lane
 Leicester
 LE1 5QA

Receiving Agents:
 Independent Registrars Group Limited
 Balfour House
 390/398 High Road
 Ilford
 Essex
 IG1 1NQ

Principal Bankers of the Offeror:
 Bank of Scotland Plc
 14 Friars Lane
 Leicester
 LE1 5RA

BLANCHARDS PLC

(Registered in England and Wales No. 1075532)

Directors:

M. Levi (Chairman)
T. Barker
C. Glass

Registered Office:

Convention House
St. Mary's Street
Leeds LS9 7DP

10th March 1995

To the Shareholders

Dear Shareholder

RECOMMENDED OFFER BY DEAN & BOWES (HOMES) PLC

Background

As you know, the Blanchards Directors have been striving to restore some value to your company's shares. In my statement of 22nd November 1994, which accompanied the annual report for the year ended 30th April 1994, I informed you that the Blanchards Directors were in discussion with the directors of the Offeror. In his letter of the same date, my colleague, Colin Glass, provided Shareholders with some background information on the Offeror. The result of our discussions is the offer for your shares which is set out in this document.

Blanchards no longer has any employees and its sole asset is the Lots Road Property. The accounts for Blanchards for the year ended 30th April 1994 show that Blanchards is insolvent. There has not been any improvement since that date. The Blanchards Directors have agreed, subject to contract and certain conditions, the sale of the Lots Road Property. The price agreed is £105,000 (before deduction of estimated expenses of realisation of £4,000) which is significantly below the book value in Blanchards' balance sheet at 30th April 1994 of £132,000.

Information on the Offeror is set out in the Offer Letter from Dean & Bowes (Homes) PLC commencing on page 8 of this document and in Appendices 3, 5, 6 and 7.

The Offer

The Offer is on the following basis:

1 DBH Share for every 60 Blanchards Shares.

The Offer is conditional on a number of matters, including acceptance of the Offer in respect of at least 75 per cent. of the Blanchards Shares, the approval of the Independent Blanchards Shareholders at the EGM, on a poll, of the offers being made to Colin Glass, Winburn Glass

Norfolk, Chartered Accountants, (in which Colin Glass is a partner) and myself as Creditors and the acceptance by the Creditors of the offer being made to them.

Further details of the Offer are set out in Appendix 1. A valuation of the DBH Shares by Price Waterhouse, Chartered Accountants, is set out in Appendix 6, which shows that the aggregate value of the DBH Shares being offered in respect of all of the Blanchards Shares is approximately £1,737.

The Offer to Creditors

The offer to Creditors is on the basis of 5 DBH Shares for every £20 of debt owed by Blanchards. Further details of the offer to Creditors are set out on pages 10 and 11 of this document.

Extraordinary General Meeting

Each of the Blanchards Directors has an interest in the offer to Creditors. In accordance with the requirements of the Panel, the offers to Colin Glass, Winburn Glass Norfolk and myself, by virtue of our interests in Blanchards Shares and as Creditors (either directly or indirectly), are subject to the approval of the Independent Blanchards Shareholders in general meeting, on a poll. Consequently, the EGM is being convened for 11th April 1995 for the purposes of seeking such approvals. Notice of the EGM is set out on pages 46 and 47 of this document.

Colin Glass and I will abstain from voting at the EGM and are unable to give a recommendation to the Independent Blanchards Shareholders. Trevor Barker, who has been so advised by Keith, Bayley, Rogers & Co., considers the terms of the offers to Colin Glass, Winburn Glass Norfolk and myself to be fair and reasonable so far as the Shareholders are concerned. Accordingly, Trevor Barker recommends shareholders to vote in favour of the resolutions at the EGM.

I WOULD URGE YOU TO READ THIS DOCUMENT CAREFULLY SO THAT YOU UNDERSTAND THE OFFER AND THE OFFERS TO COLIN GLASS, WINBURN GLASS NORFOLK AND MYSELF.

The Future of Blanchards

The Offeror has stated that it has no intention to revive the business of Blanchards.

Following transfer to the Offeror of the Lots Road Property or the proceeds of sale thereof, the Offeror intends to exercise an option it has been granted which requires Colin Glass to acquire the Blanchards Shares held by the Offeror, for nominal consideration. Following exercise of the option, Colin Glass can be required by the Offeror to take all such steps as are open to him as director and shareholder of Blanchards to arrange the orderly liquidation of Blanchards as soon as practicable. In the unlikely event that the liquidation yields a surplus, Colin Glass has undertaken to distribute such surplus among the Shareholders. The effect upon the Offeror of exercising the option would be to remove any deficit which might arise on consolidation of the accounts of Blanchards with those of the Offeror.

The Blanchards Directors are in receipt of no alternative offers and, in the event of the Offer not becoming or being declared unconditional, consider that there is no prospect of any value being restored to the Blanchards Shares in the foreseeable future.

Colin Glass

Colin Glass has been instrumental in ensuring the continued survival of Blanchards and has actively been seeking opportunities to restore some value to the Blanchards Shares since 1989. In consideration for his services in connection with the Offer, the Offeror has agreed to issue to Colin Glass 33,333 DBH Shares upon the Offer becoming or being declared unconditional, at which time he has also agreed to join the board of the Offeror as a non-executive director.

As a result of the arrangements made with Colin Glass in connection with the Offer he has taken no part in the formal discussions of the board of Blanchards regarding the Offer.

Directors' Intentions

Colin Glass and Port Cullis Investment Co SA (the trustee of a trust in which I am interested) have irrevocably agreed to accept the Offer in respect of their interests in 350,000 and 1,251,294 Blanchards Shares respectively. Colin Glass has irrevocably agreed to accept the offer to Creditors in respect of the total debt of £50,100 due to him personally and to Winburn Glass Norfolk. Alpha Acceptances Limited, a company in which Trevor Barker is interested, has irrevocably agreed to accept the offer to Creditors in respect of the £10,000 debt it is owed by Blanchards. I have also irrevocably agreed to accept the offer to Creditors in respect of the £270,601 debt due to me.

Recommendation

The Independent Blanchards Directors have reviewed the Offer carefully. The Independent Blanchards Directors, who have been so advised by Keith, Bayley, Rogers & Co., consider the terms of the Offer and the arrangements with Colin Glass to be fair and reasonable so far as the Shareholders are concerned. Accordingly, the Independent Blanchards Directors recommend Shareholders to accept the Offer. Blanchards Directors or trustees of settlements in which Blanchards Directors are interested have irrevocably undertaken to accept the Offer in relation to shareholdings totalling 1,601,294 Blanchards Shares, representing 19.91 per cent. of the issued share capital of Blanchards.

Tax Matters

General advice concerning the United Kingdom taxation position of Blanchards Shareholders is set out on pages 12 and 44 of this document. Any Shareholder who is in any doubt as to his own taxation position should obtain independent professional advice.

Action to be Taken

Shareholders will be entitled to attend and vote at the EGM. At the EGM each Shareholder, present in person or by proxy, shall have one vote for every Blanchards Share held. A condition of the Offer becoming or being declared unconditional is the passing of the resolutions at the EGM. Accordingly, whether or not Shareholders propose to attend the EGM in person, they are urged to complete and return the accompanying form of proxy in accordance with the instructions contained therein as soon as possible and in any event so as to arrive not later than 24 hours before the time fixed for the holding of the EGM. The completion and return of a form of proxy will not preclude a Shareholder from attending and voting at the EGM.

In order to accept the Offer Shareholders should complete and return the accompanying Form of Acceptance in accordance with the instructions contained therein as soon as possible and in any event so as to arrive not later than 1.00 p.m. on 11th April 1995.

Yours faithfully
Melvyn Levi
Chairman

DEAN & BOWES (HOMES) PLC

(registered in England and Wales No 2806007)

Directors:

Stephen Dean (Chairman)
Norman Saunders FCA

Registered Office:
Hemingford House
Glebe Road
Huntingdon
Cambridgeshire
PE18 7DX

10th March 1995

To: The Shareholders in Blanchard's Plc

Dear Shareholder

INTRODUCTION

1. The recent fortunes of Blanchards have been well documented in its Report and Financial Statements for the year ended 30th April 1994 and for preceding years.
2. Blanchards some years ago sold off a number of subsidiaries, assets and businesses and has since then been left as little more than a shell. It currently owns one substantial asset which is the leasehold of the Lots Road Property. The leasehold of the Lots Road Property was included in Blanchards' annual audited financial statements for the period ended 30th April 1994 as having a net book value of £132,000. That value could be heavily discounted should that asset be realised in a situation where Blanchards is being wound up. The Lots Road Property has not produced any rental income since September 1994 when its last tenant departed. Since that time it has been marketed and an offer, subject to contract, has been accepted at a price of £105,000 (before deduction of estimated expenses of realisation of £4,000).
3. Blanchards' audited financial statements for the period ended 30th April 1994 show extensive liabilities and, therefore, a deficit on Shareholders' funds of £1,105,000.
4. Blanchards is, therefore, insolvent and its continued survival is a result of the efforts of the Blanchards Directors in their negotiations with Blanchards' creditors.
5. The Offeror understands that there have been previous discussions about the future of Blanchards with a number of interested parties in an attempt to secure an offer which holds for the Shareholders and Creditors a better prospect than the insolvent liquidation of Blanchards.
6. As a result of its own discussions with Blanchards the Offeror makes this Offer - further details of which are set out below.

THE OFFEROR'S PLANS FOR BLANCHARDS

7. The Offeror was incorporated in April 1993 to acquire the house building activities carried out by Dean & Bowes (Contracts) Ltd, a shopfitting and refurbishment company. Mr Dean, the Offeror's Chairman, was the Managing Director of Dean & Bowes (Contracts) Limited, and its holding company Dean & Bowes Limited, until 10th February 1994. The Offeror has one subsidiary, Dean Homes Limited, incorporated on 14th October 1994. Dean Homes Limited was acquired as an "off the shelf" company by the Offeror to become the Offeror's trading subsidiary. This will enable the Offeror to operate in the future as a holding company.
8. An Accountants' Report on the Offeror for the period from its incorporation to 6th January 1995 is set out in Appendix 3 of this document. This shows that for the period from 1st January 1994 to 6th January 1995 the Offeror reported a profit on ordinary activities before taxation of £66,867 and had shareholders' funds of £54,926. The DBH Directors are optimistic for the future. It is the proposed strategy of the Offeror to create a broad based housebuilding and building products and services group. The DBH Directors believe that opportunities continue to exist in the niche area of construction services. The DBH Directors believe that the Offeror has sufficient cash resources available to it to fulfil its present intentions of completing and selling its current development sites and acquiring a landbank for future development. Furthermore should the Offeror be successful in its application for permission to deal in its shares under Rule 4.2 (see paragraph 10 below) then the Offeror will have the structure in place to raise funds for additional projects.
9. The business of Blanchards which originally led to its listing has ceased. Blanchards exists solely for the purpose of holding the Lots Road Property, pending a satisfactory resolution of its future. Blanchards has, therefore, no business to continue and the Offeror has no intention to revive the business of Blanchards. The Offeror proposes to use the proceeds of sale of the Lots Road Property in furtherance of its own business and to defray the expenses of this Offer. The Offeror understands that neither Blanchards nor its subsidiaries has any employees so that no arrangements need be made for them.
10. The structure of the transaction is one that offers the following benefit both for the Shareholders and for the Offeror. In the event that the Offer becomes or is declared unconditional it will result in the Offeror having a substantial number of new shareholders who previously held shares in Blanchards. The Offeror has applied for permission for its shares to be dealt in pursuant to Rule 4.2. It is expected that dealings will commence on 12th April 1995. As stated above the Rule 4.2 facility may provide fund raising opportunities for the Offeror and it will also assist the Blanchards Directors to realise their intention of ensuring that the Shareholders and Creditors are offered an opportunity to do better than they would in an insolvent liquidation.

THE OFFER

11. The Offer is to acquire all of the Blanchards Shares for a total number of 133,659 DBH Shares. For every 60 Blanchards Shares held by them, accepting Shareholders will be entitled (upon the Offer becoming or being declared unconditional) to receive one DBH Share. Shareholders will not be allowed to accept in regard to part only of their shareholding in Blanchards.
12. If the number of Blanchards Shares held by an accepting Shareholder is not an exact multiple of 60, that accepting Shareholder will be issued with such number of DBH Shares as he would receive if the number of Blanchards Shares he held was the next lesser multiple of 60.
13. Further Terms of the Offer and the Conditions Precedent are set out in Appendix 1.
14. A valuation of DBH Shares by Price Waterhouse, Chartered Accountants, is set out in Appendix 6. You will note that valuation is at 1.3p for each DBH Share. Therefore the total value of the 133,659 DBH Shares offered as consideration for all of the Blanchards Shares is approximately £1,737. The Offeror has not authorised any dividend in relation to the DBH Shares and the DBH Shares therefore carry no rights to accrued dividend to date.
15. You should be aware that the Offeror has already received irrevocable commitments from Port Cullis Investment Company SA (which holds Blanchards Shares beneficially for Mr Melvyn Levi) and Mr Colin Glass, to accept the Offer in respect of their Blanchards Shares, should the Offer become unconditional. Further details of their commitment are set out on page 6 of this document.

THE POSITION OF BLANCHARDS CREDITORS

16. Due to the very significant amount of debt carried by Blanchards and the Offeror's intention to utilise the proceeds of sale of the Lots Road Property for its own purposes, the Offeror is anxious to secure the support of the Creditors. The Creditors constitute those creditors of Blanchards of which the Blanchard Directors have the details necessary to enable an offer to be made to them. Accordingly, it is a condition of the Offer that each of the Creditors assigns all of its debt to the Offeror. Each Creditor will be offered 5 DBH Shares for every whole £20 of Blanchards debt assigned to the Offeror. If the amount of debt owed by Blanchards to any accepting Creditor is not an exact multiple of £20 that accepting Creditor will be allotted such number of DBH Shares as it would receive if the amount of debt was the nearest multiple of £20. Each Creditor will only be allowed to accept in regard to the whole of the debt owed to it by Blanchards.
17. If the Offer becomes or is declared unconditional the Lots Road Property or the proceeds of its disposal will be transferred to the Offeror in return for the release of all debts of Blanchards which have been assigned to it.

18. You should be aware that the Offeror and Blanchards have as at 10th March 1995 already received irrevocable commitments from those Blanchards Directors who are also Creditors, those Creditors in which any of the Blanchards Directors are interested (see paragraph 2h in Appendix 7) and other Creditors to assign their debt (in aggregate £759,159) to the Offeror (on the terms set out at paragraph 16 above) in the event that the Offer becomes unconditional. Those Creditors (including the Blanchards Directors, and Creditors in which they are interested) will together be entitled to 189,789 DBH Shares in respect of such assignment of their debt while for the protection of the Offeror acceptance of the offer to Creditors by all of the Creditors is a Condition Precedent, you should note that the Offeror has the right to waive that Condition Precedent.

MR COLIN GLASS

19. Shareholders will be aware of the efforts that Mr Colin Glass, the Finance Director and Secretary of Blanchards, has made to secure some value for the Shareholders. In view of the efforts he has made and of his knowledge of the affairs of Blanchards, the Offeror has agreed that upon completion of the Offer :-
- i) Mr Glass will become a director of the Offeror; and
 - ii) there will be issued to Mr Glass 33,333 fully paid up DBH Shares ("the Finder's Fee").
20. As Blanchards may still be technically insolvent after the Lots Road Property has been transferred to DBH, the Offeror has been granted an option pursuant to which it can require Colin Glass to acquire its Blanchards Shares for a nominal consideration. The Offeror intends to put that option into effect as soon as practicable after the Offer becomes unconditional and the Lots Road Property, or the proceeds of its sale, have been transferred to the Offeror. The recommendations of Keith, Bayley, Rogers, & Co. relating to the grant of that option, and Colin Glass' obligations in regard to Blanchards should the Offeror exercise the option, are set out on pages 5 and 6 of this document.

POST COMPLETION STRUCTURE OF THE OFFEROR

21. In the event that the Offer becomes unconditional (and assuming that all of the Shareholders accept the Offer and all of the Creditors accept the offer made to them), the shareholdings in the Offeror will be as follows:-

	DBH Shares:-	Approximate percentage of issued share capital of the Offeror:-
The existing shareholders*	: 10,250,000	96.62
The Shareholders	: 133,659	1.26
The Creditors	: 191,155	1.81
Finders Fee to Mr Colin Glass**	: 33,333	0.31
TOTAL	: 10,608,147	100.00

*Those shareholders in the Offeror as at the date of the Offer, details of which are set out in paragraph 2b of Appendix 7 of this document.

**Mr Colin Glass is a partner in the firm Winburn Glass Norfolk, which is a Creditor in the amount of £40,100 which represents charges for accountancy and other services. This will entitle Winburn Glass Norfolk to receive 10,025 DBH Shares, which have been aggregated in the 191,155 DBH Shares available to Creditors. Mr Glass is himself a Creditor in the amount of £10,000, which entitles him to receive a further 2,500 DBH Shares, also aggregated in the total DBH Shares available to Creditors. Finally, Mr Glass holds 350,000 Blanchards Shares, which entitles him to receive 5,833 DBH Shares which have been aggregated in the total DBH Shares available to Shareholders.

TAXATION OF CAPITAL GAINS

22. The liability of Shareholders to United Kingdom taxation in respect of capital gains will depend on each person's individual circumstances.

Shareholders should note that no application has been made for clearance under section 138 of the Taxation of Chargeable Gains Act 1992 in respect of the Offer. The position on capital gains tax of each Shareholder is therefore something that each Shareholder should consider carefully.

Whether or not acceptance of the Offer constitutes a disposal or part disposal of Blanchards Shares, a subsequent disposal of all or any of the DBH Shares may in any event constitute a disposal or part disposal for the purposes of United Kingdom taxation of capital gains, depending on individual circumstances.

A Shareholder who is in any doubt about his own tax position or who is subject to taxation in any jurisdiction other than the United Kingdom should consult his own independent professional adviser.

INFORMATION CONCERNING THE OFFEROR

23. Certain information about the Offeror is given earlier in this letter. Further information concerning the Offeror is set out in Appendices 3, 5, 6 and 7.

INFORMATION CONCERNING BLANCHARDS

24. Further information concerning Blanchards is set out in Appendix 4.

TIME LIMITS

25. The Offer will remain open for acceptance only until 1.00 p.m. on 11th April 1995. Please ensure that acceptances are received by that time.

ACCEPTANCE AND SETTLEMENT

26. The procedure for those who wish to accept the Offer is as set out in Appendix 2 and in the Form of Acceptance.
27. Shareholders should note that acceptances will be irrevocable and that it is a term of the Offer that accepting Shareholders warrant, among other things, that their Blanchards Shares are free from all liens, charges, equitable interests and encumbrances.
28. The attention of Shareholders not resident in the United Kingdom, and USA or Canadian or Australian persons resident in the United Kingdom is drawn to Part B, paragraph (vi)(k) of Appendix 1.

GENERAL

29. If the Offer becomes unconditional the Offeror will be able to procure the passing of any class of resolutions at any general meeting of Blanchards.
30. If the Offer becomes unconditional and the Offeror acquires at least 90% of the Blanchards Shares, the Offeror will have the right, pursuant to section 429 of the Act, to acquire compulsorily the remaining Blanchards Shares for the same consideration as that offered under the Offer. The Offeror intends to exercise that right if it becomes available.
31. The Blanchards Shares will be transferred with all rights now or hereafter attaching thereto including rights to receive all dividends and distributions whenever declared, made or paid.

The Offeror urges you to accept this Offer as a means of obtaining shares in a company which are intended to be publicly traded. You will be aware that there have been other attempts to produce some value for you in the past and that these have failed. At present your shares in Blanchards are worthless. There is attached at Appendix 6 a valuation of DBH Shares at 1.3p per share (taking into account the effect of the Offer). As well as that valuation, however, you will also have the possibility of being able to realise your shares in time at a greater value if the Offeror's business activities prove successful. We believe that this is also something of value to you.

Yours faithfully
Stephen Dean,
Chairman
for and on behalf of Dean & Bowes (Homes) PLC.

Appendix 1 Conditions and Further Terms

The following further terms and conditions apply to the Offer.

Except where the context otherwise requires, references in this Appendix and in the Form of Acceptance:

- (a) to the "Offer" include any extension or revision of the Offer;
- (b) to the "Offer becoming unconditional" include references to the Offer being declared unconditional

PART A - CONDITIONS PRECEDENT

The Offer is conditional on:

- (i) valid acceptances being received (and not, where permitted, withdrawn) by 1.00 p.m. on 11th April 1995 in respect of not less than 75% of the Blanchards Shares;
- (ii) valid confirmations being received (and not, where permitted, withdrawn) by 1.00 p.m. on 11th April 1995 from all of the Creditors that each will assign on the terms of the offer made by the Offeror to the Creditors the full amount of the debt owed to it by Blanchards to the Offeror;
- (iii) the passing by the Independent Blanchards Shareholders at an Extraordinary General Meeting of Blanchards of the resolutions set out in the notice convening an Extraordinary General Meeting of Blanchards contained on pages 46 and 47 of this document;
- (iv) no government, governmental, quasi-governmental, supranational, statutory or regulatory body or any trade agency or professional association or court or other person or body in any jurisdiction having, prior to the date when the Offer becomes otherwise unconditional in all respects, instituted, implemented or threatened any action, suit, proceedings or investigation or enquiry or enacted, made or proposed any statute or regulation or order that would or might:
 - a) make the Offer or the acquisition or proposed acquisition of any Blanchards Shares by the Offeror void, illegal or unenforceable or otherwise restrain, prohibit, interfere in the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge the Offer or the proposed acquisition of Blanchards Shares by the Offeror or its implementation, or any acquisition of Blanchards Shares; or
 - b) result in a delay in the ability of the Offeror or render the Offeror unable to acquire some or all of the Blanchards Shares; and
- v) all applicable waiting periods during which any such government, governmental, quasi-governmental, supranational, statutory or regulatory body, trade agency or professional association, court or other person or body could institute, implement or threaten any such action, proceedings, suit, investigations or enquiry having expired or been terminated;
- vi) all necessary filings having been made and all appropriate waiting periods having expired, lapsed or been terminated, in each case as may be necessary or appropriate in connection with the Offer or the acquisition of Blanchards by the Offeror, under the laws or regulations of any jurisdiction, and all necessary statutory and regulatory obligations in any jurisdiction having been complied with;
- vii) since 30th April 1994 and prior to the date when the Offer becomes otherwise unconditional, save as announced publicly or published prior to 10th March 1995 being the date of this Offer:
 - a) Blanchards or any of its subsidiaries not having declared, paid or made, or proposed the declaration, paying or making of, any dividend, bonus or other distribution in respect of the Blanchards Shares;
 - b) Blanchards or any of its subsidiaries not having issued, or authorised or proposed the issue of, additional shares of any class, or securities convertible into or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;
 - c) Blanchards or any of its subsidiaries not having issued, or proposed the issue of, any debenture or incurred or increased any indebtedness or contingent liability;
 - d) Blanchards or any of its subsidiaries not having merged with any body corporate or acquired, or agreed to acquire, or disposed of, or agreed to dispose of, or charged or otherwise encumbered or agreed to charge or encumber any assets (including shares in subsidiaries and trade investments) or made any change in its share or loan capital, or authorised or proposed or announced any intention to propose any merger, acquisition, disposal or change as aforesaid;

- e) no litigation or arbitration proceedings having been instituted or threatened against Blanchards or any of its subsidiaries;
- f) Blanchards or any of its subsidiaries not having entered into any agreement with respect to any of the transactions or events referred to in this condition, or passed any resolution in general meeting to sanction, approve or implement any such issue, acquisition, disposal, change, transaction, agreement, contract or commitment as referred to in items (b), (c) or (d) of this condition;
- vii) since 30th April 1994 there having been no material adverse change in the financial or trading position or prospects of Blanchards or any of its subsidiaries other than arising out of any default by a tenant of the Lots Road Property to comply with its obligations to pay rent due in respect of the Lots Road Property or the departure of a tenant of the Lots Road Property;
- viii) the Offeror not having discovered that the financial or business information publicly disclosed at any time by Blanchards is misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not materially misleading.

The Offeror shall comply with the Code in determining whether the acceptance condition (i) has been satisfied and reserves the right to waive conditions (ii) to (viii) in whole or in part.

PART B - FURTHER TERMS

(i) Acceptance Period

- (a) The Offer will remain open for acceptance until 1.00 p.m. on 11th April 1995 but may be extended subject to paragraph (i)(b) below. If the Offer is revised, it will remain open for acceptance for a period of at least fourteen days following the date on which the revised offer document is posted to the Shareholders. Except with the consent of the Panel, no revised offer document may be posted after 25th April 1995.
- (b) The Offer, whether revised or not, shall not (except with the consent of the Panel) be capable of becoming unconditional after midnight on 9th May 1995 nor of being kept open thereafter, unless it has previously become unconditional, provided that the Offeror reserves the right, with the consent of the Panel, to extend the Offer to a later time(s) and/or date(s). The Offeror may, for the purpose of determining whether the acceptance condition has been satisfied, only take into account acceptances received or purchases of Blanchards Shares made in respect of which all relevant documents required by paragraph (v) below have been received by the Receiving Agents by 1.00 p.m. on 11th April 1995 (or any other time and/or date beyond which the Offeror has stated that the Offer will not be extended and has not withdrawn that statement) or, if the Offer is so extended, such later time(s) and/or date (s) as the Panel may agree. If the Offer is extended beyond midnight on 9th May 1995 acceptances received and purchases made in respect of which the relevant documents are received by the Receiving Agents after 1.00 p.m. on the relevant date may (except where the Code otherwise permits) only be taken into account with the agreement of the Panel.
- (c) If the Offer becomes unconditional, it will remain open for acceptance for not less than fourteen days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice, then not less than fourteen days' notice in writing will be given prior to the closing of the Offer. If a competitive situation arises after a no increase or no extension statement has been made in respect of the Offer the Offeror may, if it has specifically reserved the right to do so at the time such statement was made, withdraw such statement if it announces such withdrawal within four business days after the announcement of the competing offer and notifies Shareholders to that effect in writing which in the case of the Shareholders with registered addresses outside the U.K., will be by announcement in the U.K. The Offeror may choose not to be bound by the terms of a no increase or no extension statement if, having reserved the right to do so, it posts an increased or improved offer which is recommended for acceptance by the Blanchards Directors.
- (d) For the purpose of determining at any particular time whether the acceptance condition has been satisfied, the Offeror shall be entitled to take account only of those Blanchards Shares carrying voting rights which have been unconditionally allotted or issued before that time and the allotment or issue of which Blanchards has notified the Receiving Agent on behalf of the Offeror by written notice, containing all the relevant details, at the address specified in paragraph (iii)(a) below before that time. Telex or facsimile transmission will not be sufficient.

(ii) Announcements

- (a) By 8.30 a.m. on the business day (the "relevant day") following the day on which the Offer is due to expire or becomes or is declared unconditional or is revised or extended or such later time or date as the Panel may agree, the Offeror will make an appropriate announcement. Such announcement will also state (unless otherwise permitted by the Panel) the total number of shares and rights over shares (as nearly as practicable) (i) for which acceptances of the Offer have been received (ii) acquired or agreed to be acquired by or on behalf of the Offeror or any persons deemed to be acting in concert with the Offeror during the course of the Offer Period (see paragraph (vi)(b) below) (iii) held by or on behalf of the Offeror or any persons deemed to be acting in concert with the Offeror prior to the Offer Period and (iv) for which acceptances of the Offer have been received from any person deemed to be acting in concert with the Offeror and will specify the percentage of Blanchards Shares represented by each of these figures. Any decision to extend the date by which the acceptance condition has to be satisfied may be made at any time up to, and will be announced not later than, 9.00 a.m. on the relevant day or such later time or date as the Panel may

agree and the announcement will state the next expiry date unless the Offer is unconditional as to acceptances. In computing the number of Blanchards Shares represented by acceptances and purchases, there may be included or excluded for announcement purposes, subject to paragraph (v) below, acceptances and purchases not in all respects in order or subject to verification.

- (b) In this Appendix, references to the making of an announcement by the Offeror include the release of an announcement by or on behalf of the Offeror to the press.

(iii) Rights of Withdrawal

- (a) If the Offeror having announced the Offer to be unconditional, fails to comply by 3.30p.m. on the relevant day or such later time or date as the Panel may agree with any of the other requirements specified in paragraph (ii)(a) above, any accepting Shareholder may immediately thereafter withdraw his acceptance by written notice signed by such Shareholder (or his agent duly appointed in writing and evidence of whose appointment is produced with the notice) given by post or by hand to the Receiving Agents at Belfour House, 390/398 High Road, Ilford, Essex, IG1 1NQ on behalf of the Offeror. Subject to paragraph (i)(b) above, this right of withdrawal may be terminated not less than eight days after the relevant day by the Offeror confirming, if such is the case, that the Offer is still unconditional and complying with the other requirements specified in paragraph (ii)(a) above. If any such confirmation is given, the first period of fourteen days referred to in paragraph (i)(c) above will run from the date of such confirmation and compliance.
- (b) If by 3.00p.m. on the relevant day, the Offer has not become unconditional, any accepting Shareholder may withdraw his acceptance at any time after such date by written notice received by the Receiving Agents on behalf of the Offeror at the address and in the manner referred to in paragraph (iii)(a) above before the earlier of (i) the time that the Offer becomes unconditional and (ii) the final time for lodgement of acceptances which can be taken into account in accordance with paragraph (i)(b) above. If a no increase or no extension statement has been withdrawn after a competitive situation has arisen in accordance with paragraph (i)(c) above, any Shareholder who accepts the Offer after such statement is made may withdraw his acceptance in the manner referred to in paragraph (iii)(a) above for a period of eight days following the date on which the notice of such withdrawal is posted.
- (c) Except as provided by this paragraph (iii) acceptances shall be irrevocable. In this paragraph (iii) "written notice" (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Shareholder(s) or his or their agent(s) duly appointed in writing, evidence of whose appointment is produced with the notice. Telex or facsimile transmission or copies will not be sufficient.
- (iv) Revised Offer
 - (a) Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised either in its terms or in the value or form of the consideration offered, the benefit of the revised Offer will, subject as provided in paragraphs (iv)(b) and (c) and (vi)(k) below, be made available to a Shareholder who has accepted the Offer in its original or previously revised form(s) (hereinafter called a "Previous Acceptor"). The acceptance by or on behalf of a Previous Acceptor of the Offer in its original or any previously revised form(s) shall, subject as provided in paragraphs (iv)(b) and (c) and (vi)(k) below, be treated as an acceptance of the Offer as so revised and shall also constitute an authority to any director of the Offeror as his attorney to accept any such revised Offer on behalf of such Previous Acceptor and if such revised Offer includes alternative forms of consideration to make such elections for and/or accept such alternative forms of consideration in such proportion (as nearly as practicable) as those made by such Previous Acceptor in the Form of Acceptance previously executed by him or on his behalf.
 - (b) The deemed acceptance referred to in paragraph (iv)(a) above shall be conditional on a director of the Offeror exercising the authority conferred by that paragraph so as to ensure that, to the extent available under the terms of the revised offer, all such steps are taken on behalf of each Previous Acceptor so as to ensure that such Previous Acceptor receives not less than the same value of consideration as he would have received as a result of his acceptance of the Offer in the form in which it was originally accepted by him or on his behalf. Save as provided in this paragraph (b), the authority conferred by paragraph (iv)(a) above shall not be exercised in respect of any election available under any revised Offer.
 - (c) The deemed acceptance referred to in paragraph (iv)(a) above shall not apply and the authority conferred by that paragraph shall be ineffective to the extent that a Previous Acceptor shall lodge, within fourteen days of the posting of the document pursuant to which the revision of the Offer referred to in paragraph (iv)(a) above is made available to the Shareholders, a form in which he validly elects to receive the consideration receivable by him in some other manner.
 - (d) The authorities and powers of attorney conferred by this paragraph (iv) and any acceptance of a revised Offer and/or election pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph (iii) above and duly does so.
 - (e) The Offeror reserves the right to treat a valid acceptance of the Offer (in its original or any previously revised form(s)) which is received after the announcement or issue of the Offer in any revised form as a valid acceptance of the revised Offer and such acceptances shall constitute an authority in the terms of paragraph (iv)(a) above mutatis mutandis on behalf of the relevant Shareholder.

(v) Acceptances and Purchases

Except as otherwise agreed by the Panel:

- (a) an acceptance of the Offer will only be counted towards fulfilling the acceptance condition contained in paragraph (i) of Part A of this Appendix if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Code are satisfied in respect of it;
- (b) a purchase of Blanchards Shares by the Offeror will only be counted towards fulfilling the acceptance condition if the requirements of Note 5 and, if applicable Note 6, on Rule 10 of the Code are satisfied in respect of it; and
- (c) before the Offer becomes or is declared unconditional the Receiving Agent will issue a certificate to the Offeror stating the number of acceptances which have been received and the number of Blanchards Shares otherwise acquired which comply with the provisions of this paragraph (v). Copies of such certificate will be sent to the Panel and to Keith, Bayley, Rogers & Co., as soon as possible after this is issued.

(vi) General

- (a) Save with the consent of the Panel, the Offer will lapse unless all the conditions have been fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by the Offeror in its reasonable opinion to be or remain satisfied by midnight on 2nd May 1995 or within 21 days after the date on which the Offer becomes unconditional, whichever is the later.
- (b) The expression "Offer Period" when used in this document means, in relation to the Offer, the period commencing on 10th March 1995 until whichever of the following dates shall be the latest: (i) 11th April 1995, (ii) the date on which the Offer lapses; or (iii) the date on which the Offer becomes unconditional.
- (c) Except with the consent of the Panel, settlement of the consideration to which any Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against him.
- (d) The Offer is made on 10th March 1995 and is capable of acceptance thereafter; additional Forms of Acceptance are available from the Receiving Agents.
- (e) If the Offer does not become unconditional, the Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post within fourteen days of the Offer lapsing, at the risk of the Shareholders concerned, to the person or agent whose name and address is set out in Box 5 of the Form of Acceptance or, if none is set out, to the first-named holder at the address set out in Box 3 of the Form of Acceptance.
- (f) The instructions, authorities and provisions contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Expressions defined in this document have the same meanings when used in the Form of Acceptance unless the context otherwise requires.
- (g) Any omission to despatch this document or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. The Offer extends to any Shareholder to whom this document, the Form of Acceptance or any related documents may not be despatched or received and such persons may collect copies of those documents from the Receiving Agent.
- (h) All powers of attorney and authorities on the terms conferred by or referred to in this Appendix or in the Form of Acceptance are given by way of security for the performance of the obligations of the Shareholder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971, except in the circumstances where the donor of such power of attorney or authority is entitled to withdraw his acceptance.
- (i) All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders will be delivered by or sent to or from them (or their designated agents) at their risk.
- (j) The Offer and all acceptances thereof, the Form of Acceptance, the stock transfer form and actions taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law.
- (k) The making of the Offer in, or to certain persons resident in, jurisdictions outside the United Kingdom and the availability of the DBH Shares to certain persons not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom, may be affected by the laws of the relevant jurisdictions. Shareholders who are citizens, residents or nationals of jurisdictions outside the United Kingdom should inform themselves about and observe any applicable legal requirements. It is the responsibility of persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom and who wish to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in that jurisdiction.

- ii) The DBH Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended ("the Securities Act"), or the relevant Canadian or Australian securities legislation and have not been, and will not be, qualified for sale in the United States, Canada or Australia. Accordingly the DBH Shares are not available to USA, Canadian or Australian persons. The Offeror will not authorise the delivery of any document of title in respect of any DBH Shares falling to be allotted under the Offer to an address in the USA, Canada or Australia or to any person who the Offeror has reason to believe is a USA, Canadian or Australian person.
- iii) Any acceptance of the Offer received from any person who the Offeror has reason to believe is a USA, Canadian or Australian person shall constitute in respect of the DBH Shares to which such acceptor may become entitled pursuant to the Offer, an irrevocable request and authority to the Offeror and/or its agents, as the agent(s) of such shareholder:
 - a) to sell such shares on behalf of such acceptor in the market within 21 days of such shares being allotted;
 - b) to receive the share certificate(s) and/or other document(s) of title in respect of such shares and to execute instrument(s) of transfer in respect of such shares; and
 - c) to remit the net proceeds of such sale (after deducting from them the expenses of sale) as soon as reasonably practicable to the person or agent whose name and address are set out in Box 5 of the Form of Acceptance or, if none is set out, to the first-named holder at the address set out in Box 3 of the Form of Acceptance.
- iv) Neither the Offeror nor Blanchards nor any person acting on behalf of either of them shall have any liability to any person for any loss or alleged loss arising from the price, timing or manner of any sale made pursuant to the authority set out above or otherwise in connection with it.
- v) As used in this document and in the Form of Acceptance:
 - a) "USA" and "United States" means the United States of America, its territories and possessions; and "USA person" means any person who is a national or resident of the USA (including the estate of such person) or a corporation or entity organised under the laws of the USA or any political subdivision thereof other than a branch or agency of a bank or insurance company organised and regulated under US law that is operating outside the USA for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not principally for the purpose of investing in securities not registered under the Securities Act;
 - b) "Canada" means Canada, its possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof; and "Canadian person" means any person who is a resident of Canada (including the estate of any such person) or corporations, partnerships, trusts or other entities created or organised in Canada;
 - c) "Australia" means Australia, its possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof; and "Australian person" means any person who is a resident of Australia (including the estate of any such person) or corporations, partnerships, trusts or other entities created or organised in Australia.
- vi) Notwithstanding anything to the contrary contained in this document or the Form of Acceptance, the Offeror may make the Offer (with or without giving effect to the foregoing paragraphs of this paragraph (k) including, without limitation, paragraph (k)(ii)) in the USA or to or for the benefit of a USA person pursuant to an exemption under the Securities Act or in accordance with applicable law in Canada or Australia and in this connection the provisions of paragraph vii) c) below shall be varied accordingly.
- vii) The provisions of this paragraph (k) supersede any terms of the Offer inconsistent with it. References in this paragraph (k) to a Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing the Form of Acceptance, the provisions of this paragraph (k) shall apply to them jointly and to each of them.
- (l) Any reference in this document and in the Form of Acceptance to 11th April 1995 shall, except in paragraph (vi)(b) above and where the context otherwise requires, be deemed, if the expiry date of the Offer be extended, to refer to the expiry date of the Offer as so extended.
- (m) No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or other document(s) of title will be given.
- (n) The Offeror reserves the right to treat acceptances of the Offer as valid if received by or on behalf of it at any place or places determined by it otherwise than as set out herein.
- (o) The Offeror reserves the right to notify any matter to all or any Shareholders with (a) registered address(es) outside the U.K. by announcement in the U.K. and all references in this document to notice in writing (other than in paragraph (iii)(c) above) shall

be construed accordingly.

- (p) If the Offer lapses, it will cease to be capable of further acceptance and Shareholders will cease thereafter to be bound by prior acceptances.

(vii) Form of Acceptance

Each Shareholder by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with the Offeror (so as to bind him/her and his/her personal representatives, heirs, successors and assigns) that:

- (a) the execution of the Form of Acceptance shall constitute an acceptance of the Offer in respect of all of the Blanchards Shares held by such a Shareholder and shown in the register of members of Blanchards;
- (b) the Blanchards Shares in respect of which the Offer is accepted or deemed to be accepted are, if sold, sold with a warranty that they are free from all liens, charges, equitable interests and encumbrances and together with all rights attaching thereto (including the right to all dividends, interest and other distributions whether declared, paid or made before or after the date of the Offer);
- (c) unless such Shareholder advises the Offeror otherwise by completing Box 4 of the Form of Acceptance the Shareholder is not a USA, Canadian or Australian person (as defined in paragraph (vi)(k)(v) above) and is not accepting the Offer on behalf of or with a view to the re-offer, re-sale or delivery of the DBII Shares directly or indirectly in the United States, Canada, or Australia or to a USA, Canadian or Australian person or to any other person whom the Shareholder has reason to believe is purchasing or subscribing for the purpose of such re-offer, re-sale, or delivery and further that the Shareholder is not a person otherwise prevented by legal or regulatory restrictions from applying for DBII Shares nor acting on behalf of such person or persons on a non-discretionary basis;
- (d) the execution of the Form of Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms the irrevocable appointment of any director of the Offeror, as such Shareholder's attorney, and an irrevocable instruction to the attorney, to complete and execute all or any form(s) of transfer and/or other document(s) at the attorney's discretion in relation to the Blanchards Shares referred to in the Form of Acceptance above in favour of the Offeror and to deliver such form(s) of transfer and/or other document(s) at the attorney's discretion, together with the certificate(s) and/or other document(s) of title relating to such Blanchards Shares, for registration within six months of the Offer becoming unconditional in all respects or to do all such acts within the terms of paragraph (vi)(k)(iii) above and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer and to vest in the Offeror or its nominee(s) the Blanchards Shares as aforesaid;
- (e) the execution of the Form of Acceptance by a Shareholder constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms, an irrevocable authority and request from that Shareholder:
 - (i) to Blanchards or its agents, to procure the registration of the transfer of the Blanchards Shares of that Shareholder pursuant to the Offer and the delivery of any share certificate(s) and/or other document(s) of title in respect thereof to the Offeror or as it may direct;
 - (ii) to the Offeror or its agents, to record and act on any instructions with regard to payments or notices which have been entered in the records of Blanchards in respect of such Blanchards Shares;
- (f) if he/she accepts the Offer, he/she shall do all such acts and things as shall be necessary or expedient to vest in the Offeror his/her Blanchards Shares aforesaid;
- (g) he/she agrees to ratify each and every act or thing which may be done or effected by any director of the Offeror or their respective agents or Blanchards or its agents in exercise of any of his/her powers and/or authorities hereunder.

Appendix 2

Acceptance and Settlement

- (a) To accept the Offer you must execute the Form of Acceptance in accordance with the instructions contained therein.
- (b) The completed and signed Form of Acceptance, together with the relative share certificate(s) and/or other documents of title, or evidence thereof, should be sent or delivered by hand to the Receiving Agents, at Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ as soon as possible and in any event so as to arrive not later than 1.00 p.m. on 11th April 1995.

No acknowledgement of receipt of these documents will be given.

- (c) Even if your share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete and forward the Form of Acceptance and stock transfer form, with any certificates that you may have available, to the Receiving Agents at the above address. You should forward the remaining certificates and/or other documents of title as soon as possible thereafter.

If you have lost one or more of your certificates, the completed Form of Acceptance form should be accompanied by a letter of explanation. At the same time you should write to the Company Secretary of Blanchards for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to Blanchards at the above address. On receipt of a new certificate, it should be lodged with Receiving Agents as above.

Without prejudice to the above conditions the Offeror reserves the right to treat as valid any acceptance of the Offer which is not entirely in order or where not accompanied by the relative certificate(s) and/or other documents of title. If an acceptance is treated as valid in these circumstances, no consideration for the relevant transfer will be issued until any irregularity has been resolved and an acceptable indemnity or subject as mentioned below the certificates delivered.

- (d) The Offer is not capable of being accepted in respect of part only of your holding.
- (e) Subject to the Offer becoming or being declared unconditional in all respects share certificates for the relevant number of DBH Shares will be despatched to accepting Shareholders within 21 days of the later of 11th April 1995 or the date on which the Offer becomes or is declared wholly unconditional or the date of receipt of an acceptance complete in all respects.

Southgate House
61 Millstone Lane
Leicester LE1 5QA

Telephone: 0116-252 0000
Telex: 884657 PRIWAT G
Telecopier: 0116-253 2697

Price Waterhouse

APPENDIX 3



The Directors
Dean & Bowes (Homes) PLC
Hemingford House
Glebe Road
HUNTINGDON
Cambridgeshire
PE18 7DX

10th March 1995

Dear Sirs

We have audited the financial statements of Dean & Bowes (Homes) PLC (formerly Dean & Bowes (Homes) Limited) for the period from incorporation to 6 January 1995. The financial information set out below has been prepared from these financial statements to which no adjustments are considered necessary. Our work has been carried out in accordance with the Auditing Guideline "Prospectuses and the reporting accountant".

In our opinion the financial information set out below gives a true and fair view of the profit and of the cash flows of the company for each of the periods stated and the state of affairs of the company at the dates stated.

No financial statements have been prepared and audited for any period subsequent to 6 January 1995. On 7 March 1995 the company re-registered as a public limited company.

APPENDIX 5.

PRO FORMA STATEMENT OF THE NET ASSETS OF THE COMPANY FOLLOWING THE TRANSACTION

Set out below, for the purposes of illustration only, and which, because of its nature, cannot give a complete picture of the financial position of the company, is a pro forma statement of the net assets of the company at 6 January 1995 adjusted to reflect the transaction and which is prepared on the basis of the notes below:

	Dean & Bowes (Homes) PLC	Effect of the transaction £	Pro forma net assets £
Fixed assets			
Tangible fixed assets	14,356	-	14,356
Asset for resale	-	100,000	100,000
Current assets			
Stocks and work in progress	285,438	-	285,438
Debtors	170,232	-	170,232
Cash at bank and in hand	210,335	(59,999)	150,336
	666,005	(59,999)	606,006
Creditors - amounts falling due within one year	(617,468)	-	(617,468)
Net current assets	48,537	(59,999)	(11,462)
Total assets less current liabilities	62,893	40,001	102,894
Creditors - amounts falling due after one year	(7,117)	-	(7,117)
Provision for liabilities and charges	(850)	-	(850)
Net assets	54,926	40,001	94,927

- (i) The net assets of Dean & Bowes (Homes) PLC have been extracted from the audited balance sheet as at 6 January 1995.
- (ii) The effect of the transaction assumes full acceptance by the Shareholders and Creditors and comprises two elements:
 - The Lots Road Property is disclosed as an asset for resale in view of the intention of Blanchards and Dean & Bowes (Homes) PLC to sell the property as soon as is practical. It is included at the amount of a professional valuation, £100,000 as at 7 March 1995 undertaken on an open market basis by Robert Bruce & Partners.
 - The costs of the proposed transaction have been projected to be £60,000 and these have been reduced by £1 on the assumption that Dean & Bowes (Homes) PLC exercises its option to dispose of Blanchards PLC.
- (iii) A pro forma profit and loss account has not been presented because no trading activities will be acquired by Dean & Bowes (Homes) PLC.

NOTICE OF EXTRAORDINARY GENERAL MEETING

BLANCHARDS PLC

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held at Convention House, St Mary's Street, Leeds, LS9 7DP on the 11th day of April 1995 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

THAT:-

1. The offer to Mr Melvyn Levi as a creditor of the Company from Dean & Bowes (Homes) PLC as described in the Offer to shareholders of Blanchards dated 10th March 1995 be and hereby is approved.
2. The offer to Mr Colin Glass and to Messrs Winburn Glass Norfolk (in which Mr Colin Glass is a partner) as creditors of the Company from Dean & Bowes (Homes) PLC as described in the Offer to shareholders of Blanchards dated 10th March 1995 be and hereby is approved.

BY ORDER OF THE BOARD
Colin Glass
Secretary

Dated this 10th day of March 1995.

Registered Office:

Convention House
St Mary's Street
Leeds, LS9 7DP

NOTES:

1. Voting on both resolutions will be conducted on a poll and neither Fort Cullis Investment Company SA (which holds Blanchards Shares in trust for Mr Melvyn Levi) nor Mr Colin Glass will be entitled to vote on either resolution in order to comply with the requirements of the Panel on Takeovers and Mergers for dispensation from Rule 16 of the City Code on Takeovers and Mergers as set out in the Offer dated 10th March 1995.
2. A Member entitled to attend and vote at this Meeting is entitled to appoint one or more proxies to attend and vote on a poll in his place. A proxy need not also be a member of Blanchards.
3. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. In the case of a corporation the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or a duly authorised officer of the corporation.
5. To be effective, the Form of Proxy together with any power of attorney or other authority under which it is executed or a notarially certified copy thereof must be sent to Independent Registrars Group Limited, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ so as to arrive no later than 10.00a.m. on 10th April, 1995.
6. Completion of a Form of Proxy will not affect the right of a holder of Blanchards Shares to attend and vote at the Meeting.

2806007

ROBERT BRUCE & PARTNERS

90/100 SYDNEY STREET,
LONDON SW3 6NJ
Telephone 071-351 6767 (Sales)
071-351 8770 (Rentals)
Fax 071-351 6448

ESTATE AGENTS
& VALUERS

Partners
R.D. DOXFORD
A.J.C. COLVIN
Associate Partners
M.P.C. WOOD
G.O. COWPER-COLES
A. T-W-FIENNES
Consultant
W. CARTER ARICS

RDD/DD

8th March 1995

The Directors
Blanchards Plc
Convention House
St Marys's Street
LEEDS
LS9 7DP

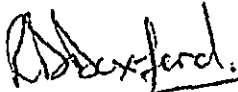
Dear Sirs

Property Valuation as at 7 March 1995

We refer to our valuation of 92 Lots Road, Chelsea set out in a letter dated 7 March 1995 addressed to you.

We hereby consent to the publication of our valuation and our name and references thereto in the form and consent in which they appear in the Offer Document proposed to be issued by Dean & Bowes (Homes) Plc in connection with its proposed purchase of the entire issued share capital of Blanchards Plc.

Yours faithfully,



For and on behalf of
Robert Bruce & Partners

30 - 03 - 95

Keith, Bayley, Rogers & Co.
Ebbark House
93 - 95 Borough High Street
London Bridge
London SE1 1NL

Telephone: 0171-827 9988
0171-378 0657
Facsimile: 0171-403 3536
Telex: 888437
DX 93401 Christopher Street EC2

2806007
KBR
KEITH BAYLEY
Member of the London Stock Exchange
Member of The Securities and Futures Authority

Corporate Finance
A. H. Drummon
John Clark
Derek Crowhurst

Ref: DC\consent.dc

9th March 1995

The Directors
Dean & Bowes (Homes) Plc
Hemingford House
Glebe Road
Huntingdon
CAMBS PE18 7DX

The Directors
Blanchards PLC
Convention House
St Mary's Street
LEEDS LS9 7DP

Gentlemen

Offer by Dean & Bowes (Homes) Plc to acquire the whole of the
issued share capital of Blanchards PLC

We refer to the offer document dated 9th March 1995 issued by
Dean & Bowes (Homes) Plc in connection with the above offer ("the
Offer Document").

We hereby consent to the issue of the Offer Document with the
inclusion therein of our recommendations and our name and
references thereto in the form and context in which they appear.

Yours faithfully
For and on behalf of
Keith, Bayley, Rogers & Co.


A H Drummon

30 - 03 - 95

806007

Soulligate House
61 Millstone Lane
Leicester LE1 5QA

Telephone: 0116-262 0000
Telex: 884657 PRIMAT G
Telecopier: 0116-253 2697

Price Waterhouse



10 March 1995

PRIVATE AND CONFIDENTIAL

The Directors
Dean & Bowes (Homes) plc
Hemingford House
Glebe Road
HUNTINGDON
Cambridgeshire
PE18 7DX

Gentlemen

We hereby consent to the issue of the offer by Dean & Bowes (Homes) plc to acquire the whole of the issued share capital of Blanchards plc with the inclusion therein of our report dated 10 March 1995 and our letter dated 10 March 1995 in the form and context in which they are included. A copy of the offer initialed by us for the purpose of identification is attached.

Yours faithfully

Price Waterhouse

PRICE WATERHOUSE

JSL/DSP

Offices at Aberdeen, Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Hull, Leeds, Leicester, Liverpool, London, Manchester, Middlesbrough, Newcastle, Nottingham, Reading, St Albans, Stockport, Wokingham and York.

The firm's principal place of business is at Southmark Towers, 32 London Bridge Street, London SE1 9BY where a list of the partners' names is available for inspection.

The firm is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

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for

2806007

POWERNSS.DBH

POWER OF ATTORNEY
of
NORMAN STANLEY SAUNDERS

BY THIS POWER OF ATTORNEY made the Sixth day of March One thousand nine hundred and ninety-five I NORMAN STANLEY SAUNDERS of Jubilee Lodge North East, Park Lane, Knebworth, Hertfordshire, SG3 8QD hereby irrevocably appoint Stephen Dean of The Paddocks, Hemingford Road, St Ives, Cambridgeshire (hereinafter called "the Attorney") to be my true and lawful attorney with full power and authority in my name and on my behalf to do sign or execute all acts documents or deeds as may be necessary or desirable in connection with an offer to be made by Dean & Bowes (Homes) Limited for the entire issued share capital of Blanchards plc (including without limitation the signing as my agent of any prospectus issued in connection with that matter) and all related matters

I HEREBY UNDERTAKE to ratify and confirm any act or document whatsoever that the Attorney shall do or lawfully cause to be done by virtue of this Power of Attorney and to indemnify him against all costs and expenses properly incurred by him under it

The authority of the Attorney under this Power of Attorney shall cease on the expiry of three months from today's date

IN WITNESS whereof the Attorney has executed this instrument as a Deed in manner hereinafter appearing and it has been delivered by him or on his behalf on the day and year first above written

SIGNED as a Deed by)
NORMAN STANLEY SAUNDERS)
in the presence of :-)

N. S. Saunders

Gerard Fitzgibbon

Solicitor

Cambridge

30 - 03 - 95

original seen & checked
pm

2806007

66 The Fairway
Leeds
West Yorkshire
LS17 7PD

Mr S Dean
Dean & Bowes (Homes) PLC
Hemingford House
Glebe Road
Huntingdon
Cambridgeshire
PE18 7DX

9 March 1995

Dear Mr Dean

Please accept this letter as my authorisation for you to sign the document containing the offer to acquire the whole of the issued ordinary share capital of Blanchards PLC as my agent in accordance with Section 64(1)(a) of the Companies Act 1985.

Yours sincerely



COLIN GLASS.