

Company Number: 2862807

THE COMPANIES ACT 1985

FRIDAY



COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

**MEMORANDUM OF ASSOCIATION OF UK WATER INDUSTRY RESEARCH
LIMITED**

1. The name of the Company is **UK WATER INDUSTRY RESEARCH LIMITED**
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established is the facilitating of compliance with legal, regulatory, health and environmental requirements by promoting, carrying out, assisting, supporting and financing:
 - (1) research and development on behalf of the Water Industry in connection with:
 - (a) the treatment, supply and use of water for all purposes and derived from all sources;
 - (b) the treatment, reclamation or disposal of used water;
 - (c) the use, development, availability, distribution, conservation and control of quality water resources;
 - (d) the use of rivers and other inland waters for any purpose, including services and facilities relating to such use;
 - (e) navigation, recreation, amenity and other activities and functions performed or exercised on, in or in relation to inland waters;
 - (f) pollution prevention, and the protection, conservation, enhancement and preservation of the environment.
 - (2) work in support of the Water Industry including, engineering and operations; public health; drinking water; health and safety; the environment; standards; charges; economic methodology; cost benefit analysis; communications and information technology; and customer services.

- (3) research and development on behalf of any persons interested in the Water Industry and including initiatives with non UK representative bodies interested in the water industry.

And the Company shall have the following powers exercisable in furtherance of its said objects namely:

4. To prepare, edit, print, publish (including electronically or by way of internet or intranet) and issue books, papers, periodicals, gazettes, circulars and other literary undertakings or other means of communication (including films), in respect of or bearing upon the Water Industry or any part thereof, and to circulate or sell such publications, or films, and to establish, form and maintain libraries and collections of literature, statistics, scientific data and other information or objects relating to the Water Industry or to matters of interest of the persons engaged therein, and to translate, compile, publish, lend and sell, and endeavour to secure, or contribute to, the translation, compilation, publication and sale by government and other bodies or persons, of any such literature, statistics and information, and to disseminate information by means of the reading of papers, delivery of lectures, giving of advice, the appointment of advisory officers or otherwise in connection therewith.
5. To apply to Government Departments, the European Union, Local Government or other Public Bodies or to corporations, companies or other persons for, and to accept grants of money, land, donation, gifts, subscriptions and other assistance for promoting the objects of the Company.
6. To borrow or raise money, and to issue debentures or other securities, and for the purposes of securing any debt or obligation of the Company to mortgage and charge all or any part of the property of the Company.
7. To control, manage, finance, subsidise, co-ordinate or otherwise assist any company in which the Company has a direct or indirect interest: to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company and to make payments and other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company.
8. To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the promotion of its objects and to construct, maintain and alter any buildings or erections necessary or convenient for the promotion of its objects and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
9. To create, assist in the creation of, originate, design, invent, develop, encourage, devise, formulate, compose, conceive, initiate, conceptualise, write and by any other means whatsoever produce ideas, solutions, inventions, designs, works, processes, applications, utilities, technologies, know-how, methods and/or any other intellectual property which seems capable of being used by Members of the Company or others for the benefit of the Water Industry ("Intellectual Property").
10. To apply for, register, obtain, maintain and protect in respect of the Intellectual Property, patents, copyrights, trade marks and service marks (both registered and unregistered), registered designs, design rights, semi-conductor rights, concessions, licences, privileges, utility models, confidential information, know-how or any other form of legal or other protection whatsoever ("Intellectual Property Rights") exclusively or otherwise, whether in the United Kingdom or elsewhere.

11. To sell, supply, let, grant, licence, hire, market, merchandise, trade, deal in, distribute, retail or by any other means whatsoever exploit and turn to account all or any such Intellectual Property and/or Intellectual Property Rights and/or any goods, wares, works, products, merchandise, commodities of every kind which incorporate Intellectual Property and/or physical manifestation of the same.
12. To purchase or otherwise acquire and obtain and hold or dispose of or defend Intellectual Property Rights of any interest in them whether in the United Kingdom or elsewhere.
13. To sell, let, mortgage, charge, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient with a view to the promotion of its objects.
14. To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.
15. To acquire all or any part of the property, assets or liabilities of any association, society or corporation in any part of the world whose objects are in general similar to the objects of the Company.
16. To amalgamate or affiliate with and promote any association, society or corporation in any part of the world whose objects are in general similar to the objects of the Company.
17. To establish, promote, co-operate with, become a member of, act as or appoint trustees, agents or delegates for, control, manage, superintend, or afford financial or other assistance to the work of any persons, associations and institutions and other bodies incorporated or not incorporated, whose objects include scientific or industrial research of whatever nature which may be of relevance to the Water Industry.
18. To carry out and support any research or other scientific or technological work, and to do all things whether affecting the whole of the Water Industry or part thereof and in the case of work not affecting the whole of the Water Industry to make such arrangements as to special payment by any such part including the entering into of contracts or other arrangements whereby such work is undertaken at the sole cost and under the control and for the sole benefit of any such part as may be expedient.
19. To transfer all or any part of the property, assets or liabilities of the Company to any association, society or corporation with which the Company is authorised to amalgamate.
20. To distribute among the Members of the Company any assets of the Company of whatever nature.
21. To employ the funds of the Company for the purposes of the objects of the Company and in any other company whether now existing or hereafter to be formed and engaged in any like business of the Company or of any other industry ancillary thereto or which can conveniently be carried on in connection therewith.
22. To provide services of any kind including the carrying on of advisory, consultancy, brokerage and agency business relevant to the objects of the Company.
23. 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.

24. To establish, equip and maintain laboratories, workshops or factories and conduct experiments and to provide funds for such work as may be appropriate for promoting the objects of the Company; and to encourage and improve the education of persons who are engaged or are likely to be engaged in the Water Industry.
25. To review and co-ordinate, give approval for and consultancy advice on research and other scientific work on behalf of the Water Industry.
26. To engage, employ and remunerate staff; to institute, manage and operate superannuation, insurance and other schemes and to grant pensions or gratuities to or in relation to any employee, or former employee, widows and dependants thereof, of the Company, and for this purpose to contribute to, participate in, establish and administer pension schemes or pension funds, whether contributory or non-contributory.
27. To represent the views of the Water Industry in respect of the above to any interested part-Y.
28. To carry on any other business, trade or activity which can, in the opinion of the directors of the Company, be conveniently or advantageously carried on by the Company in connection or in conjunction with, or as ancillary to, any business, trade or activity which the Company is for the time being authorised to carry on or which is, in the opinion of the directors of the Company, calculated directly or indirectly to enhance the value of, or render profitable, any property, assets or rights of the Company or otherwise to advance the interests of the Company.
29. In this Memorandum "the Water Industry" means the water industry in the United Kingdom.
30. The liability of the members is limited.
31. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the Company if it should be wound up while a member or within one year after ceasing to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
32. Nothing contained in this Memorandum shall prevent any payment, in good faith, by the Company of premiums for insurance indemnifying Directors and other members or officers or auditors of the Company against any liability which would otherwise attach to them in respect of negligence, default, breach of duty or breach of trust in relation to the Company. Such insurance or indemnity shall not extend to any claim arising from wilful fraud or wrong doing or wilful neglect omission or default on the part of any member, Director or officer of the Company and nothing in this Memorandum shall prevent a member of the Board of Directors of the Company from being appointed to any salaried office of the Company, or any office of the Company paid by fees, and remuneration or other benefit in money or moneys worth may be given by the Company to any member of such Board of Directors including but without prejudice to the foregoing repayment of out-of-pocket expenses.
33. The Board shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up. If the Company shall be wound up (whether the liquidation is voluntary 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 and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members.

The Liquidator may, with the like authority vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authorisation shall think fit, and the liquidation of the Company may be closed and the Company dissolved but so that no contributory shall be compelled to accept any property in respect of which there is a liability. The Liquidator may, with the like authority give or transfer the whole or any part of the assets to some other institution or institutions having objects similar to the objects of the Company and if and so far as effect cannot be given to the aforesaid provisions, then to some charitable object.

We, the subscribers of this Memorandum of Association wish to be formed into a company pursuant to this Memorandum.

COMPANIES ACT 1985 AND 2006

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF UK WATER INDUSTRY RESEARCH LIMITED

DEFINITIONS

1. In these premises the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

WORDS	MEANINGS
"the Board"	The Board of Directors for the time being of the Company.
"CA 1985"	means the Companies Act 1985 as amended from time to time.
"CA 2006"	means the Companies Act 2006 as amended from time to time.
"the Company"	UK Water Industry Research Limited.
"electronic address"	has the meaning given in section 1148(1) CA 06.
"electronic form"	has the meaning given in section 1168(3) of CA 06.
"electronic means"	has the meaning given in section 1168(4) of CA 2006
"hard copy form"	has the meaning given in section 1168(2) of CA 06.
"in writing"	Written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form (whether in hard copy form or electronic form).
"Member"	A member of the Company as defined in section 112 of the CA 2006 including its authorised representative as provided by section 323 of the CA 2006.
"month"	Calendar month.

"the Office"	The registered office of the Company.
"these Articles"	These Articles of Association, and the regulations of the Company from time to time in force.
"the Seal"	The common seal of the Company.
"the Statutes"	means the CA 1985 and CA 2006 as amended from time to time.
"the United Kingdom"	Great Britain and Northern Ireland.

Words importing the singular number only shall include the plural number and vice versa, and the masculine gender shall include the feminine gender.

The headings appearing in these presents are for information only and are not to be read or construed as forming part of these presents.

Subject as aforesaid, any words or expressions defined in the Statutes or any statutory modification thereof in force at the date on which these presents become binding on the Company shall, if not inconsistent with the subject context, bear the same meaning in these presents.

2. The provisions of section 113 of the CA 2006 shall be observed by the Company.
3. The Company is established for the purposes expressed in the Memorandum of Association.
4. Subject as hereinafter mentioned it shall rest with the Company to determine whether to admit Members and the terms and conditions on which Members shall from time to time be admitted and any new category of Membership of the Company.

MEMBERSHIP

5. Unless otherwise determined by a General Meeting, the membership of the Company shall subject to their applying for membership consist of the following:
 - (a) each of the organisations which are actively engaged in the supply of water and/or the provision of sewage treatments and disposal facilities in England and Wales and which are appointed as water undertakers and/or sewerage undertakers pursuant to the Water Industry Act 1991 (as amended from time to time) subject to any organisation which is not already a Member as at the date of the adoption of this amendment to these Articles of Association applying to the Board for membership and being accepted as a Member by the Board;
 - (b) each of the organisations which are actively engaged in the supply of water and/or the provision of sewage treatments and disposal facilities in Northern Ireland and which are appointed as water undertakers and/or sewerage undertakers pursuant to the Water and Sewerage Services (Northern Ireland) Order 2006 (or such other statutory instrument thereunder as amended from time to time) subject to any organisation which is not already a Member as at the date of the adoption of this amendment to these Articles of Association applying to the Board for membership and being accepted as a Member by the Board;
 - (c) each of the organisations which are actively engaged in the supply of water and/or the provision of sewage treatments and disposal facilities in Scotland and which are appointed as water undertakers and/or sewerage undertakers pursuant to Scottish

local laws and regulations subject to any organisation which is not already a Member as at the date of the adoption of this amendment to these Articles of Association applying to the Board for membership and being accepted as a Member by the Board;

- (d) a Member may at any time withdraw from membership by giving at least one year's written notice to the Company expiring at the end of the Company's financial year;
 - (e) any Member ceasing to be a Member shall not have any claim upon or interest in the funds of the Company but this Article shall be without prejudice to rights of the Company to claim any arrears of subscriptions or other sums due from time to time from the Member to the Company at that time of its ceasing to be a Member;
 - (f) if a Member shall withdraw from membership or otherwise cease to be a Member such Member shall notwithstanding that it ceases to be a Member be liable to pay and shall pay to the Company the whole of its proportion of Funding (approved pursuant to Article 9) for the year of withdrawal or cessation and its proportion of the funding for the projects which the Company has at the date of withdrawal or cessation agreed to undertake or manage in respect of the following two years.
6. The Chairman of the Board for the time being will be decided by the Members. The Chairman of the Board shall also be the Chairman of the Company.
7. The Members or such other persons as shall be determined by the Board shall undertake the project management of projects to be carried out by the Company on the terms determined by the Board: in relation to each such project such terms may include the extent to which costs can be recovered or a management charge levied.
8. No act or resolution of the Company shall be invalidated by reason of the existence of any vacancy or vacancies among Members of the Company.

FUNDING

9. (a) The Members shall approve the budget for each year's programme to be carried out or undertaken by the Company and the Members acknowledge that such budgets may also include projects to be carried out in the following two years.
- (b) The Members shall fund the approved budgets pursuant to the formula approved by the Members from time to time. Such formula shall apportion proposed expenditure between (i) potable water research and development and (ii) waste water and sewage research and development.
- (c) The Board shall be responsible for reviewing the populations served by each Member and determining the extent of any changes therein and their materiality and in the event the Board resolves that there is a material change to such populations the formula referred to in (b) above shall be varied as determined by the Board.
- (d) Each Member shall pay its contribution to the Company (or to whom the Company may direct) within one calendar month of receipt of written demand.
- (e) If any Member fails to pay its contribution within the prescribed period, it shall pay interest thereon or on any outstanding balance at 2% per annum above HSBC Bank Plc's base rate from time to time in force from the last day for payment to the day of actual payment.

GENERAL MEETINGS

10. The Company shall hold a General Meeting at such time and place as may be determined by the Board, and shall specify the meeting as such in the notices calling it.
11. [Not Used]
12. The Board may whenever they think fit convene a General Meeting, and General Meetings shall also be convened on the requisition of any Member.
13. Subject to the Statutes, at least fourteen clear days' notice in writing (which includes, for the avoidance of doubt, notice given by means of a website) of every General Meeting, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under these Articles or under the Statutes entitled to receive such notices from the Company; but with the consent of all the Members having the right to attend and vote thereat, or of such proportion of them as is prescribed by the Statutes in the case of such General Meetings, a meeting may be convened by such notice as those Members may think fit.
14. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.

PROCEEDINGS AT GENERAL MEETINGS

15. All business shall be deemed special that is transacted at a General Meeting, shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Board and of the Auditors, and the appointment of, and the fixing of the remuneration of the Auditors.
16. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as therein otherwise provided three Members each present personally or by proxy or by a duly appointed corporate representative shall be a quorum provided that only one corporate representative present from each company shall be counted for the purposes of counting the quorum.
17. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of a Member, 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 at such other place as the Board may determine.
18. Each Member shall appoint a person to act as its representative at meetings of the Company (and thereafter may rescind such appointment and appoint a replacement representative). A representative of a Member shall be entitled to exercise all rights of membership of the Member appointing him. Each Member shall notify the Secretary of the appointment (or rescission of the appointment and appointment of a replacement) of its representative appointed pursuant to this Article.
19. No Member shall be entitled to attend and/or vote at a meeting of the Company so long as any moneys are due and payable to the Company by that Member provided that such moneys are at least one month overdue for payment (whether lawfully demanded or not).

20. The Chairman of the Board shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the Members present shall choose some member of the Board, or if no such member be present, or if all the members of the Board present decline to take the chair, they shall choose some Member of the Company who shall be present to preside.
21. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to give any notice of an adjournment, or of the business to be transacted at an adjourned meeting.
22. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands and a declaration by the Chairman of the meeting that a resolution has been carried, or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
23. Subject to the provisions of the Statutes a resolution in writing signed by all the Members for the time being entitled to receive notice of and attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form including telex and facsimile transmission and any other electronic form and signed by one or more of the Members for the time being entitled to receive notice of General Meetings.

VOTES OF MEMBERS

24. At General Meetings of the Company on a show of hands every Member may cast such number of votes as he may be entitled to under Article 26 below. Where a Member is voting by proxy or through a corporate representative, then that proxy or corporate representative shall be entitled to the same number of votes as if that Member were present in person.
25. Voting is based on resident population as served by each Member which figures shall be reviewed and updated (from time to time) by the Board and approved by the Members. The resident population provided with water services is added to that provided with sewerage services.
26. Members providing services to a population below 2 million will have one vote, Members providing services to the next 2 million will have a second vote, Members providing services to a population exceeding 4 million will have a third vote.
27. A corporation may vote by its duly authorised representative appointed as provided by section 323 of the CA 2006 or by proxy.
- 27A. Any Member may appoint a person to vote by proxy. A proxy need not be a Member.

28. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation under its common seal, or under the hand of some officer duly authorised in that behalf.
29. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to attend and vote, and in default of the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
30. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have, been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
31. The instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

UK WATER INDUSTRY RESEARCH LIMITED

I/We

of

a member of UK Water Industry Research Limited hereby appoint

of

or failing him,

of

to attend or vote for me/us and on my/our behalf at the General Meeting of the Company to be held on the day of and at every adjournment thereof.

As witness my hand/our hands this day of 19

This form is to be used in favour of/against the resolution. Unless otherwise instructed the proxy will vote as he thinks fit.

THE BOARD

32. Unless otherwise determined by a General Meeting, the maximum number of Members of the Board shall be twelve and the membership of the Board shall subject to any appointor being a Member of the Company be constituted as follows:
- (a) not less than 7 and not more than 8 persons drawn by the Members from the Members referred to in Article 5(a) who are water undertakers and sewerage undertakers;

- (b) not less than 2 and not more than 3 persons drawn by the Members from the Members referred to in Article 5(a) who are water undertakers or sewerage undertakers (but not both).
- (c) not less than 1 and not more than 2 persons drawn by the Members from Members referred to in Article 5(b);
- (d) not less than 1 and not more than 3 persons drawn by the Members from Members referred to in Article 5(c).

POWERS OF THE BOARD

- 33. The business of the Company shall be managed by the Board who may pay all such expenses which are preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company in General Meeting, subject nevertheless to the provisions of the Statutes, these Articles and any regulations (not being inconsistent with the Statutes or these Articles) as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- 34. The members for the time being of the Board may act notwithstanding any vacancy in their body, provided always that in case the members of the Board shall at any time be or be reduced in number to less than the quorum prescribed by these Articles, it shall be lawful for them to act as the Board for the purposes of summoning a General Meeting, but not for any other purpose.
- 35. Nothing in these Articles shall permit any payment by the Company of remuneration to any officer or servant of the Company being a member of the Board, or any committee of the Board, for any services rendered to the Company. Notwithstanding the generality of the foregoing, any such officer or servant of the Company may be paid all travelling, hotel and other expenses necessarily and properly incurred by them in connection with the discharge of their duties, subject to any regulations made by the Board.
- 36. Without prejudice to the general powers conferred by these Articles, the Board may delegate any of their powers to any committee consisting of two or more directors and may make and impose upon such committee such rules and regulations and vary the same from time to time as they shall think fit. All acts and proceedings of any such committee shall be reported to the Board as soon as possible.
- 37. The Board may on behalf of the Company enter into consultancy and management agreements or arrangements with any persons, associations, institutions or other bodies corporate or unincorporate for the purpose of facilitating and carrying out the Company's purposes.
- 38. Unless otherwise determined by a General Meeting, the Board may not on behalf of the Company borrow money, or mortgage or charge its undertaking or property or any part thereof, or issue debentures or any other security.
- 39. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or

otherwise executed in such a manner as the Board may from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

40. The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The quorum for the transaction of business shall be three. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a casting vote. A member of the Board who is in communication by telephone or other telecommunication link for the purposes of a meeting of the Board pursuant to Article 46 below, shall be counted as part of the quorum for such meeting.
41. Two members of the Board may, and on the request of two members of the Board the Secretary shall, at any time, summon a meeting of the Board or a committee of the Board by notice served upon the several members of the Board by telephone, facsimile transmission, telex or other electronic means. A member of the Board or committee who is absent from the United Kingdom shall not be entitled to a notice of a meeting unless such Board Member or member has provided the Company with an address, telephone number, telex number or electronic address to which notice is to be given. A Board Member or member may waive notice of any meeting other than one to be held by telephone or similar communicating equipment and any such waiver may be retroactive.
42. The Chairman shall be entitled to preside at all meetings of the Board at which he shall be present. If at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the meeting and willing to preside, the members of the Board present shall choose one of their number to be Chairman of the meeting.
43. All acts bona fide done by any meeting of the Board or committee thereof or by any person acting as a member of the Board or such committee, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Board or such committee.
44. The Board shall cause proper minutes to be made of all appointments of officers made by the Board of the proceedings of all meetings of the Company and of the Board and of any committee and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
45. A resolution in writing signed by all the members for the time being of the Board or of a committee who are entitled to receive notice of a meeting of the Board or such committee shall be as valid and effectual as if it had been passed at a meeting of the Board or committee duly convened and constituted. Any such resolution may consist of several documents in the like form including telex, facsimile transmission or electronic form and signed by one or more of the Board or committee for the time being entitled to receive notice of a meeting of the Board or committee.
46. A member of the Board or committee shall be treated as present at a meeting of the Board or committee notwithstanding that he is not physically present if he is in communication with the meeting by telephone or other telecommunication link. A meeting of the Board or

committee may be held from time to time in any part of the world and, for the purposes of these Articles, meetings of the Board or committee shall include meetings held by telephone or any other form of telecommunications link provided that:

- (a) all members of the Board or committee have received notice of the meeting and the means of communication to be employed therefor; and
- (b) the telephone or telecommunications link is so arranged that it is possible for each member of the Board or committee to hear and be heard by each other person participating in the meeting

and the terms "meetings" and "meet" shall be construed accordingly.

DISQUALIFICATION OF MEMBERS OF THE BOARD

47. The office of a member of the Board shall be vacated:

- (a) If he becomes bankrupt or makes any arrangements or composition with his creditors generally.
- (b) If he becomes of unsound mind.
- (c) If by notice in writing to the Company he resigns his office.
- (d) If he ceases to hold office by virtue of any provision of the Statutes or he becomes prohibited by the law from being a director of the Company.
- (e) If his employer ceases to be a Member of the Company.
- (f) If he ceases to be nominated by the Members.

48. Subject to the provisions of the Statutes and provided that he has disclosed to the Board the nature and extent of any interest of his, a member of the Board notwithstanding his office:

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

49. For the purposes of Article 48 above:

- (a) a general notice given to the Board that a director is to be regarded as having an interest of the nature and extent specified in the Notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a

disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

(b) an interest of which a member of the Board has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

49A. In accordance with Section 175 CA 2006, the Board may authorise any matter proposed to it which would otherwise involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation whatsoever in which a director has, or may possibly have, a direct or indirect interest which conflicts, or may possibly conflict, with the interests of the Company.

SECRETARY

50. Subject to the provisions of the Statutes the Secretary may be appointed by the Board for such time at such remuneration and upon such conditions as the Board may think fit, and any Secretary so appointed may be removed by the Board. The Board may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting. Subject to the Statutes nothing contained in these Articles shall require the Board to appoint a Secretary.

THE SEAL

51. (a) No instrument shall be executed by the Company under Seal otherwise than by the authority of the Board. The members of the Board may determine who may execute any instrument, or execute or sign any agreement, but, except as otherwise determined, execution shall be by any two members of the Board or by any member of the Board and the Secretary or by one member of the Board in front of a witness who attests to his signature.

(b) Any instrument signed by a member of the Board and by the Secretary or by any two members of the Board or by one member of the Board in front of a witness who attests to his signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under the Seal.

ACCOUNTS

52. The Company shall cause proper books of account to be kept in accordance with the Statutes. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company and to explain its transactions.

53. The books of account shall be kept at the Office, or subject to sub-section (3) of section 386 of the CA 2006, at such other place or places as the Board shall think fit, and shall always be open to the inspection of the members of the Board and the Members of the Company.

54. In accordance with the Statutes, at a General Meeting in every year the Board shall lay before the Company a proper income and expenditure account for the last preceding financial year together with a proper balance sheet made up as the last day of such financial year. Every such balance sheet shall be accompanied by proper reports of the Board and the Auditors, and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall, not less

than twenty-one clear days before the date of the meeting, be sent to the Auditors and to all other persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served. Provided that if copies of the documents aforementioned are sent less than twenty-one clear days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if so agreed by all the members entitled to attend and vote at the meeting. The Auditor's report shall be open to inspection by any member.

AUDIT

- 55. Once at least in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.
- 56. Auditors shall be appointed and their duties regulated in accordance with the Statutes.
- 57. A balance sheet shall be signed on behalf of the Board by one member of the Board of the Company and the Auditors' report shall be attached to the balance sheet, and the report shall be read before the Company in General Meeting, and shall be open to inspection by any member.

NOTICES

- 58. Any document or notice may be sent or supplied by the Company to any Member, and by any Member, members of the Board or any committee to the Company either personally, by electronic means or by sending it through the post in a prepaid letter, addressed to such Member or to the Company (as the case may be) at his/her registered address as appearing in the register of Members, or at the Office. For the avoidance of doubt, the Company may send or supply documents or notices in electronic form or by making them available on a website, subject to the requirements of Schedule 5 of the CA 2006.
- 59. Any Member described in the register of Members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notice may be served upon him/her, shall be entitled to have documents or notices served upon him/her at such address, but, save as aforesaid and as provided by the Statutes, only those Members who are described in the register of Members by an address within the United Kingdom shall be entitled to receive documents or notices from the Company.
- 59A. Any Member is entitled to request a hard copy form of any document or notice sent or supplied by electronic means or in electronic form.
- 60. Any document or notice, if sent or supplied by post, shall be deemed to have been served on the day following that on which the letter containing the same was put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.
- 60A. Any document or notice, if sent or supplied by electronic means, shall be deemed to have been served one day after the time it was sent. If the Company, receives a delivery failure notification following a communication by electronic means in accordance with the Articles, the Company shall send or supply the document or information in hard copy form or electronic form (but not by electronic means) to the Member either personally or by post

addressed to the Member at his registered address or by leaving it at his registered address. This shall not affect when the document or notice was deemed to be received.

60B. Any document or notice, if sent or supplied by means of a website, shall be deemed to have been received by the Member:

- (a) When the document or notice was first made available on the website; or
- (b) If later, when the Member received is deemed to have received notice of the fact that the material was available on the website.

INDEMNITY AND INSURANCE

61. (a) Subject to the Statutes (but without prejudice to any indemnity to which he may otherwise be entitled) every Director or other officer (excluding an auditor) of the Company shall be indemnified out of the assets of the Company against all liabilities incurred by him in relation to or in connection with his duties, powers or office including (without limitation) any liability incurred in defending any proceedings (whether civil or criminal) in relation to the affairs of the Company, including where the Company is trustee of an occupational pension fund, in which judgment is given in his favour or in which he is acquitted or in connection with any application under the Statutes in which relief is granted to him by any court of competent jurisdiction.

(b) Subject to the Statutes, the Board may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time:

- (i) a director or other officer or employee of the Company (other than an auditor) or any body which is or was the holding company or subsidiary undertaking of the Company, or in which the Company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect); or
- (ii) a trustee of any pension fund in which employees of the Company or any other body referred to in paragraph (i) above is or has been interested

including, without limitation, insurance against any liability incurred by such person in respect of any act or omission in the actual or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

DISSOLUTION

62. The provisions of Clause 6 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have the same validity as if they were repeated in these presents.