

THE COMPANIES ACT 1985

COMPANY No.: 02912638

EVERSHOLT LEASING LIMITED

SPECIAL RESOLUTION

The following resolution was passed as a special resolution of the above-named Company by decision of the sole shareholder of the Company on 14 August 1995:

THAT the regulations contained in the document marked "A" and attached hereto be and are hereby adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, all existing Articles of Association of the Company.


Secretary

Dated: 23 August 1995



No. 02912638

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

EVERSHOLT LEASING LIMITED

ARTICLES OF ASSOCIATION

(Adopted on 14 August 1995)

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OF

EVERSHOLT LEASING LIMITED

(Adopted on 14 August 1995)

INTERPRETATION

1. In these Articles

the Act means the Companies Act 1985;

these Articles means the articles of the Company;

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

corporation includes a corporation sole;

Group means the Company and its subsidiary undertakings (if any) from time to time and *member of the Group* means any of such bodies corporate;

office means the registered office of the Company;

paid up means paid up or credited as paid up;

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

the seal means the common seal of the Company;

secretary means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

Shareholders' Decision means a decision of the members of the Company given either by way of ordinary resolution (which may be given either at a general



meeting or by written resolution in accordance with the Articles) or (save where a resolution of the members is required by law) by written notice from the holder or holders of a majority of the voting rights exercisable at general meetings of the Company for the time being, and a decision in any such form shall be as effectual as if it had been passed at a general meeting duly convened and held;

the United Kingdom means Great Britain and Northern Ireland;

References to *appointment* include reappointment;

References to *debenture* and *debenture holder* include debenture stock and debenture stockholders, respectively;

References to documents being *executed* include reference to its being executed under hand or as a deed or by any other method;

References to *writing* include references to any method of representing or reproducing words in a legible and non-transitory form;

Words denoting the singular shall include the plural and **vice versa**. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the incorporation of the Company).

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act.

A special or extraordinary resolution shall be effective for any purpose for which a Shareholders' Decision is expressed to be required under any provision of these Articles.

The regulations in Table A in the Companies (Tables A to F) Regulations shall not apply to the Company.

2. The Company is a private company and accordingly no invitation or offer shall be made to the public (whether for cash or otherwise) to subscribe for any shares in or debentures of the Company, nor shall the Company allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of these shares or debentures being offered for sale to the public.

SHARE CAPITAL

3.1 Subject to the provisions of the Act and to any rights conferred on the

holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as specified by Shareholders' Decision or, if no such Shareholders' Decision has been made, or so far as the Shareholders' Decision does not make specific provision, as the directors may decide.

3.2 Subject to the provisions of the Act all or any of the rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To any such separate general meeting all the provisions of these Articles as to general meetings (including the proceedings thereat) of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two or more persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum and for the purposes of this Article one holder present in person or by proxy may constitute a meeting.

3.3 The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to, or the terms of issue of, such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

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

5. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

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

7. Subject to the provisions of the Act and to these Articles, any unissued shares of the Company (whether forming part of the original or any increased

capital) shall be at the disposal of the directors who may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons at such times and for such consideration and upon such terms and conditions as they may determine.

8. Subject to any Shareholders' Decision to the contrary, the directors are unconditionally authorised to exercise all powers of the Company to allot relevant securities and may exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings in respect of their power to allot relevant securities in such manner as the directors think fit. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of incorporation of the Company. The authority conferred on the directors by this Article shall remain in force for a period of five years from the date of incorporation of the Company but may be revoked varied or renewed from time to time by Shareholders' Decision in accordance with the Act.

9. The directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the directors may think fit to impose.

SHARE CERTIFICATES

10. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them. All forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like document) shall be issued under a seal unless the directors shall resolve not to have a seal pursuant to Article 111.3 whereupon such certificates shall be executed in accordance with Article 112, having regard to the terms of issue. The directors may by resolution determine, either generally or in any particular case or cases that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed.

11. If a share certificate is defaced, worn-out, or alleged to have been lost,

stolen or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating such evidence and preparing such indemnity as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate. In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

LIEN

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

13. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder or otherwise by operation of law, demanding payment and stating that if the notice is not complied with the shares may be sold.

14. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

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

CALLS ON SHARES AND FORFEITURE

16. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and remaining unpaid on any shares held by him. Such payment in advance of calls shall extinguish **pro tanto** the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance have become payable) the Company may pay interest at such rate as the member paying such sum and the directors may agree.

17. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or, when permitted, by way of premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made, which notice, in the case of notice to one of Her Majesty's Secretaries of State, another Minister of the Crown or the Solicitor for the affairs of Her Majesty's Treasury, shall be deemed to have been given on the day it is received at that member's registered address) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

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

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

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

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

22. The directors may on the allotment of shares differentiate between the holders as to the amounts and times of payment of calls on their shares.

23. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice (which, in the case of notice to one of Her Majesty's Secretaries of State, another Minister of the Crown or the Solicitor for the affairs of Her Majesty's Treasury, shall be deemed to have been given on the day it is received at that member's registered address) requiring payment of the amount unpaid together with any interest which may have accrued and all expenses reasonably incurred by the Company by reason of non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be

forfeited.

24. If the notice is not complied with any share in respect of which it was given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture. The directors may accept a surrender of any share liable to be forfeited hereunder.

25. Subject to the provisions of the Act, a share so forfeited or surrendered shall be deemed to be the property of the Company and any such shares may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition the forfeiture or surrender may be cancelled on such terms as the directors think fit. Any share not disposed of in accordance with the foregoing within three years from the date of its forfeiture or surrender shall thereupon be cancelled in accordance with the provisions of the Act. Where for the purposes of its disposal a forfeited or surrendered share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

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

27. A statutory declaration by a director or the secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

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

29. The directors may, in their absolute discretion and without giving any reason therefor, refuse to register the transfer of a share unless:

29.1 it is a fully paid share on which the Company does not have a lien;

29.2 it is lodged (duly stamped if required) at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

29.3 it is in respect of only one class of shares; and

29.4 it is in favour of not more than four transferees;

provided that the directors shall not be entitled to refuse to register any transfer of shares which complies with 29.2, 29.3 and 29.4 to one of Her Majesty's Secretaries of State, another Minister of the Crown, or the Solicitor for the affairs of Her Majesty's Treasury.

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

31. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.

32. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share or otherwise for making any entry in the register affecting the title to any share.

33. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given and if the instrument is returned by post it shall be at the sole risk of such person and without any liability on behalf of the Company.

TRANSMISSION OF SHARES

34. If a member dies the survivor or survivors where he was a joint holder,

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

35. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer, and the registration of transfers, of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member registered as the holder of any such share.

36. A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

ALTERATION OF SHARE CAPITAL

37. The Company may by ordinary resolution (but only with the prior approval of a Shareholders' Decision):

- 37.1 increase its share capital by such sum divided into shares of such amount as the resolution prescribes;
- 37.2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 37.3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any such preference or advantage or may be subject to any such restriction as compared with the others as the Company has power to attach to unissued or new shares; and
- 37.4 cancel shares which, at the date of the making of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

The directors shall not exercise any corresponding rights which the Company may have in relation to the share capital of its subsidiary undertakings without

first being authorised to do so by Shareholders' Decision.

Where the Company increases its share capital, all new shares shall be subject to the provisions of the Act and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

38. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

39. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve or share premium account in any way. Unless a Shareholders' Decision otherwise permits, the directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as they are able) that no resolution is passed by the members of any such subsidiary undertaking to reduce its share capital, any capital redemption reserve or share premium account in any way.

PURCHASE OF OWN SHARES

40. Subject to the provisions of the Act, the Company may purchase, or may enter into a contract under which it will or may purchase, its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares. Unless a Shareholders' Decision otherwise permits, the directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure that no resolution of the members of the relevant subsidiary undertaking required by the provisions of the Act to authorise any purchase or redemption of its own shares (including any redeemable shares) shall be passed.

GENERAL MEETINGS

41. All general meetings other than annual general meetings shall be called extraordinary general meetings. An annual general meeting shall be held not more than 18 months after the incorporation of the Company and subsequently once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding annual general meeting) and place as may

be determined by the directors.

42. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall convene an extraordinary general meeting in accordance with the provisions of the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

NOTICE OF GENERAL MEETINGS

43. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:

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

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, and on a poll, vote instead of him and that a proxy need not be a member of the Company. If any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

Notice of every general meeting shall be given to all members and to all persons entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law other than any who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditor or, if more than one, each of them.

44. The accidental omission to give notice of a meeting or send any other notice or circular relating thereto or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or other notice or circular relating thereto or such instrument of proxy by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

45. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation or a corporation sole which is a member, shall be a quorum.

46. If such a quorum is not present within half an hour from the time appointed for the meeting (or such longer interval as the chairman of the meeting may think fit to allow), or if during the meeting such a quorum ceases to be present, the meeting shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine. Such adjournment shall not affect any business transacted at such meeting at a time when such quorum was present. At the adjourned meeting one member (whatever the number of shares held by him) present in person or by proxy shall be a quorum. Notice of any meeting adjourned through want of a quorum shall state that at the adjourned meeting one member (whatever the number of shares held by him) present in person or by proxy shall be a quorum and for the purposes of this Article one member present in person or by proxy may constitute a meeting.

47. The chairman of the board of directors, failing whom a deputy chairman, shall preside as chairman of the meeting. If there is no such chairman or deputy chairman, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number who is willing to act to be chairman and, if there is only one director present and willing to act, he shall be chairman.

48. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

49. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

50. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or **sine die**) and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. Where a meeting is adjourned **sine die**, the time and place for the adjourned meeting shall be fixed by the directors. When a meeting is adjourned for 28 days or more or **sine die**, at least seven clear days' notice shall be given specifying the time and the place of the adjourned meeting and the general nature of the

business to be transacted. Otherwise it shall not be necessary to give any such notice.

51. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

52. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

52.1 by the chairman; or

52.2 by at least two members having the right to vote at the meeting; or

52.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

52.4 by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

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

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

54. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. Where a poll is demanded before the declaration of the result of a show of hands and then duly withdrawn, the meeting shall continue as if the demand had not been made.

55. A poll shall be taken as the chairman directs and he may (and if so directed by the meeting shall) appoint scrutineers (who need not be members)

and may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

56. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

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

VOTES OF MEMBERS

58. At a general meeting, but subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation or a corporation sole) is present by a duly authorised representative and every proxy for any member (regardless of the number of holdings of the members for whom is he a proxy) shall have one vote and on a poll every member who is present in person or by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder.

59. Any corporation or corporation sole which is a member of the Company may (in the case of a corporation, by resolution of its directors or other governing body) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company, or at any separate meeting of the holders of any class of shares, and may divide its rights between such persons in such manner as it thinks fit. A person so authorised shall be entitled to exercise the same power on behalf of the grantor of the authority as the grantor could exercise if it were an individual member of the Company, and the grantor shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it.

In relation to any such meeting, a person authorised under Section 3 of the Treasury Solicitor Act 1876 shall be treated for the purposes of this Article as if his authority had been granted by the Solicitor for the affairs of Her Majesty's Treasury; and in these Articles references to a duly authorised representative of a corporation sole include, in relation to the Solicitor for the affairs of Her Majesty's Treasury, references to a person authorised under that Section.

60. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of

the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

61. 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 taken shall be entitled to a casting vote in addition to any other vote he may have.

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

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

64. On a poll votes may be given either personally or by proxy. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

65. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and in any common form or in such other form as the directors may approve and shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The signature on such instrument need not be witnessed. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. A member may appoint more than one proxy to attend on the same occasion and a proxy need not be a member of the Company. A proxy may, to the same extent as his appointor would be so entitled, speak at the meeting.

66. The instrument appointing a proxy and any authority under which it is executed on behalf of the appointor (or a duly certified copy of the authority) must, failing previous registration with the Company, be delivered to the office (or to such other place or to such person as may be specified or agreed by the

directors) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to act or, in case of a poll taken subsequently to the date of the meeting or adjourned meeting, before the time appointed for the taking of the poll, and an instrument of proxy which is not so delivered shall be invalid. The directors may at their discretion treat a faxed or other machine made copy of any instrument appointing a proxy as such an instrument for the purpose of this Article. Delivery of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.

67. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

68. A vote cast or demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of such death, insanity or revocation shall have been received by the Company at the office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

69. No member shall, unless the directors otherwise determine, be entitled to vote, either in person or by proxy, at any general meeting or to exercise any privilege as a member in relation to meetings of the Company in respect of any shares held by him if either:

69.1 any calls or other moneys due and payable in respect of those shares remain unpaid after the expiry of the notice period under Article 23; or

69.2 he or any person appearing to be interested in those shares has been duly served with a notice under Section 212 of the Act and he or any such person (a) is in default in supplying to the Company the information thereby requested within 28 clear days after service of such notice or such longer period as may be specified in such notice for compliance therewith or in purported compliance with a statutory notice has made a statement which is false or misleading in any material particular and (b) has not remedied such default or corrected such statement within a further period of 14 clear days after service of a further notice ("the disenfranchisement notice") requiring him so to do and stating that in the event of non-compliance with the disenfranchisement notice with effect from expiry such shares shall no longer confer on him the right to vote in person or by proxy at any general meeting of the Company or to exercise any privilege as a member in relation to meetings of the Company in respect of such shares.

For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under the said Section 212 and either (a) the member has named such person as being so interested or (b) (after taking into account the response of the member to the said notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the shares to which the disenfranchisement notice relates a notice in writing to that effect and a disenfranchisement notice shall be deemed to have been withdrawn when the default has been remedied or the false or misleading statement has been corrected in respect of all the shares to which the disenfranchisement notice relates.

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

NUMBER OF DIRECTORS

71. Unless otherwise specified by Shareholders' Decision, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

ALTERNATE DIRECTORS

72. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and remove from office an alternate director so appointed by him.

73. An alternate director shall (except when absent from the United Kingdom) be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, and to attend and vote at any such meeting at which the director appointing him is not personally present. If he shall be himself a director or shall attend any such meeting as an alternate for more than one director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor.

74. An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent **mutatis mutandis** as if he were a director, but shall not be entitled to receive any remuneration from the Company for his services as an alternate director except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

75. An alternate director shall cease to be an alternate director if his appointor ceases for any reason to be a director or if any event occurs which if he were a director would cause him to vacate such office.

76. Any appointment or removal of an alternate director shall be by notice to the Company at its office signed by the director making or revoking the appointment or in any other manner approved by the directors. Where the appointment of an alternate director requires the approval of the directors, such appointment shall have effect only upon and subject to being so approved by resolution of the directors.

77. Save as otherwise provided in these Articles, an alternate director shall not have power to act as a director, nor shall he be deemed to be a director for the purposes of these Articles, nor shall he be deemed to be the agent of the director appointing him.

POWERS OF DIRECTORS

78. Subject to the provisions of the Act, the Memorandum and these Articles and to any directions given from time to time by special resolution, the business of the Company shall be managed by the directors who may pay all expenses incurred in forming and registering the Company and may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

79.1 The directors 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 such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the directors may think fit, and the directors may remove any person so appointed, and may annul or

vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

79.2 Subject to the provisions of the Act the Company may keep an overseas or local or other register in any place and the directors may make and vary such regulations as they think fit in respect of the keeping of any such register.

80. The directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The directors may remove any person appointed under this Article and may revoke or vary the delegation but no person dealing in good faith, and without notice of the revocation or variation, shall be affected by it.

81. Subject to the provisions of the next following Article, the directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, 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.

82.1 Unless a Shareholders' Decision permits in relation to a particular case or a particular class of case, the directors shall exercise all powers of the Company and exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards such subsidiary undertakings so far as by such exercise they can secure) compliance with the following conditions:

- (a) the aggregate principal amount outstanding at any one time of all temporary borrowings by members of the group (excluding amounts borrowed by any member of the group from any other member of the group) shall not exceed £700,000,000 or such higher limit as is from time to time specified by Shareholders' Decision;
- (b) the aggregate principal amount outstanding at any one time of all long term borrowings by members of the group (excluding amounts borrowed by any member of the group from any other member of the group) shall not exceed the limit specified from time to time by Shareholders' Decision and no such long term borrowings shall be undertaken by any member of the group unless and until such limit is set;

- (c) there shall be no material change in the nature of the business carried on by the group;
- (d) no member of the group shall issue any securities or grant any right to subscribe for any such securities other than pursuant to:-
 - (i) a direction given under Section 98 or Section 106 of the Railways Act 1993; or
 - (ii) an application made by a member of the Company or any member of the group;
- (e) other than pursuant to a scheme made or a direction given pursuant to Part II of the Railways Act 1993, no member of the group shall acquire or dispose of securities or a right to acquire securities of any body corporate except from or to other members of the group; and
- (f) no share shall be sold in exercise of the Company's lien pursuant to Articles 12 to 15 and no call shall be made on or right of forfeiture exercised over any share pursuant to Articles 16 to 27.

82.2 For the purposes of this Article:

- (a) *the group* means the Company and its subsidiary undertakings from time to time and *member of the group* means one of such bodies corporate;
- (b) *securities* means shares and debentures and any right to subscribe for or to convert securities into shares or debentures;
- (c) *subsidiary undertaking* has the same meaning as in the Companies Act 1989;
- (d) in calculating any amount, currencies other than sterling shall be treated as converted into sterling at the middle market rate of exchange prevailing in London at the close of business on the business day immediately preceding the day on which the calculation falls to be made;
- (e) without prejudice to the generality of the term "borrowed":-
 - (i) the principal amount raised by any member of the group by acceptances or under any acceptance credit opened on its behalf by a bank or acceptance house shall be taken into account as money borrowed by that member;
 - (ii) any fixed amount in respect of a finance lease or hire-purchase agreement (being a lease or agreement under which substantially all the risks and rewards of ownership of the asset leased or hired are to be borne by a member of the group) which would be

shown as an obligation in an audited consolidated balance sheet of the group prepared in accordance with generally accepted accounting principles shall be taken into account as money borrowed by that member;

(iii) any premium payable on final repayment of an amount to be taken into account as money borrowed shall also be taken into account; and

(f) *temporary borrowings* means all borrowing which falls properly due or which may, at the lender's discretion, be required to be repaid or whose final repayment is properly due (other, in each case, than by any default or breach by the Company of the agreement providing for such borrowing) less than one year after the date of the agreement providing for such borrowing or the date of the first advance of such borrowing, whichever is the earlier; and "long-term borrowings" means all borrowing other than temporary borrowings.

82.3 No transaction entered into, debt incurred or security given in contravention of the provisions of this Article shall be invalid or ineffectual except in the case of express notice to the party to the transaction, lender or recipient of the security at the time when the transaction was entered into, the debt was incurred or the security was given that the provisions of this Article were not complied with; and no such person or other person dealing with any member of the group shall be concerned to see or enquire whether such provisions are complied with.

82.4 A certificate or report by the auditors of the Company as to any amount for the purpose of this Article or to the effect that any provision of this Article has not been or will not be contravened at any particular time or times or as a result of any particular transaction or transactions shall be conclusive evidence of the amount or of that fact.

DELEGATION OF DIRECTORS' POWERS

83. The directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the directors or any person co-opted to any committee of the board of directors) to any committees consisting of such person or persons (whether directors or not) as they think fit. Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the directors of the power or discretion shall be read and construed as if it were a reference to the exercise thereof by such committee. Any such committee shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the directors and any such delegation may confer a power to sub-delegate, be

either collateral with or to the exclusion of their own powers and may be revoked or altered. Subject to any such regulations, the meetings and proceedings of any such committee with two or more members shall be governed **mutatis mutandis** by the Articles regulating the meetings and proceedings of directors.

84. The directors may entrust to and confer upon any director holding any executive office any of the powers exercisable by them as directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any such powers.

APPOINTMENT OF DIRECTORS

85.1 Subject to Article 85.2, each director shall vacate his office upon his sixty-seventh birthday.

85.2 The Company may determine in respect of a director, by a Shareholders' Decision made not earlier than six months prior to his sixty-seventh birthday, that such director may remain in office until such time as he is required to retire in accordance with the Act (or, if earlier, such time as his office is vacated in accordance with any other provision of these Articles) and such resolution shall have effect accordingly.

85.3 This Article shall take effect in addition to and without prejudice to Sections 293 and 294 of the Act.

86. The Company may by Shareholders' Decision appoint another person in place of a director removed from office under these Articles and, without prejudice to the powers of the directors to appoint a director, the Company in general meeting may appoint any person to be a director either to fill a casual vacancy or as an additional director, but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

87. No person shall be appointed or reappointed a director at any general meeting unless:

- (1) he is recommended by the directors; or
- (2) not less than 14 nor more than 35 clear days before the date appointed for the meeting, notice executed by a member (other than the person to be proposed) qualified to vote at the meeting has been given to the Company, after consultation with the chairman (if any) of the Company, of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of directors together with notice executed by that person of his

willingness to be appointed or reappointed.

88. The directors may from time to time appoint any person to any office or employment within the Company having a designation or title including the word "director" or attach to any existing office or employment with the Company such a designation or title and may at any time determine any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment with the Company shall not imply that the holder thereof is a director of the Company nor shall such holder thereby be empowered in any respect to act as a director of the Company or be deemed to be a director for any of the purposes of these Articles or otherwise.

89.1 Without prejudice to the powers conferred by any other Article, any person may, provided that his appointment has been approved by Shareholders' Decision, be appointed a director by the directors either to fill a vacancy or as an additional director, but so that the total number of directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles.

89.2 Save with prior approval by Shareholders' Decision, any person ceasing for any reason to be a director may not be employed by the Company or any other member of the Group under a contract of service or a contract for services for the period of six months following the termination of his directorship.

90. No shareholding qualification for directors shall be required.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

91. The office of a director shall be vacated if:

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

91.2 he has a bankruptcy order made against him or compounds with his creditors generally or applies to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act; or

91.3 if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or of a receiver or other person by whatever name called to exercise powers with respect to his property or affairs; or

91.4 he resigns his office by notice to the Company or if he shall in writing offer to resign and the directors shall resolve to accept such offer; or

91.5 he shall for more than six consecutive months have been absent without

permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or

- 91.6 the Company by Shareholders' Decision determines to remove him from office, in which event he shall cease to be a director from such time as may be specified by the Shareholders' Decision; or
- 91.7 being a director holding an executive office, he is dismissed from such office; or
- 91.8 he is convicted of an indictable offence and the directors shall resolve that it is undesirable in the interests of the Company that he remains a director; or
- 91.9 the conduct of a director (whether or not concerning the affairs of the Company) is the subject of an investigation by an inspector appointed by the Secretary of State or by the Serious Fraud Office and the directors shall resolve that it is undesirable in the interest of the Company that he remains a director.

92. The Company may by ordinary resolution, of which special notice has been given in accordance with Section 379 of the Act, remove any director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the Company. This Article shall not be construed as derogating from any power to remove a director under any other provision of these Articles or otherwise.

REMUNERATION OF DIRECTORS

93. The directors shall be entitled to such remuneration as the Company may by Shareholders' Decision determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day. The directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as they are able by such exercise) that the directors of the Company do not become entitled to receive an aggregate remuneration from members of the Group in excess of that determined by Shareholders' Decision under this Article.

DIRECTORS' EXPENSES

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

DIRECTORS' APPOINTMENTS AND INTERESTS

95.1 Subject to the provisions of the Act and to Article 95.2 below, the directors may appoint one or more of their number to be the holder of any executive office with the Company and may enter into an agreement or arrangement with any director for his employment by the Company, for his service on any committee of the directors or for the provision by him of any services outside the scope of the ordinary duties of a director. Subject to Article 95.2 and 95.4 below, any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit (including, without limitation to the generality of the foregoing, by the payment of gratuities or pensions or by insurance or otherwise) and, subject to the terms entered into in any particular case, revoke any such appointment, agreement or arrangement. Save with the prior approval by Shareholders' Decision, where a person ceases to be a director of the Company, his appointment or engagement pursuant to a contract of service or for services cannot continue.

95.2 The directors shall exercise all powers of the Company and exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (as regards such subsidiary undertakings so far as by such exercise they can secure) in respect of any director of the Company that any agreement or arrangement between any member of the Group and such director relating to the employment of such director which contains relevant terms shall not be entered into by any member of the Group until the relevant terms have been approved by Shareholders' Decision.

95.3 In this Article "relevant terms" means any terms which deal with pay, pensions, bonus schemes, the period of the agreement or arrangement or the circumstances in which or terms upon which such agreement or arrangement may be terminated and any terms relating to any compensation proposed to be paid on termination of any such agreement or arrangement.

95.4 The appointment of any person as the Company's chief executive officer or Managing Director or to a position of like responsibility by whatever name described, the Finance Director and any executive director appointed to the Board shall require prior approval by Shareholders' Decision.

96. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

96.1 may be party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

96.2 may be a director or other officer of, or employed by, or a party to any

transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;

- 96.3 may with prior approval by Shareholders' Decision 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; and
- 96.4 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.

PROVIDED that the members may by Shareholders' Decision direct that the directors on behalf of the Company shall not enter into a transaction or arrangement specified in the Shareholders' Decision or shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as by such exercise they can secure) that any such subsidiary undertaking does not enter into a transaction or arrangement so specified (being in each case a transaction or arrangement described in this Article 96) and the directors shall comply with such direction.

97. For the purposes of the preceding Article:

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

DIRECTORS' BENEFITS AND ALLOWANCES

98.1 The directors on behalf of the Company or any committee authorised by the directors may, subject to the provisions of the Act and of these Articles, exercise all the powers of the Company to grant and pay pensions, annuities, gratuities, superannuation or other allowances and benefits in favour of any person, including any director or former director, and, for the purpose of providing any such benefit or allowance, shall have power to contribute to any scheme or fund or to pay premia in respect thereof.

98.2 The directors shall exercise all powers of the Company and shall exercise all powers of control exercisable by the Company in relation to its subsidiary

undertakings so as to secure (as regards such subsidiary undertakings so far as by such exercise they can secure) in respect of any director who is or has been employed by any member of the Group that no member of the Group will without approval by Shareholders' Decision (a) cause or permit any such director to participate in or acquire any benefits or allowances which are not available generally to all classes and descriptions of employees of the Company by which he is or has been employed or (b) exercise any discretion which the Company may have under the rules of any pension scheme or other fund in respect of any of such director.

PROCEEDINGS OF DIRECTORS

99.1 Subject to the provisions of these Articles, the directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose, or by any other means authorised in writing by the director concerned. A director absent or intending to be absent from the United Kingdom may request the directors that notices of meetings of the directors shall during his absence be sent in writing to him at an address or to a fax or telex number given by him to the Company for this purpose, but if no request is made to the directors it shall not be necessary to give notice of a meeting of the directors to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

99.2 A director shall be treated as present in person at a meeting of the directors if he is in communication with the meeting by conference telephone or other communication equipment permitting those attending the meeting to hear one another. Such director shall be counted in the quorum of the meeting and shall be entitled to vote thereat. A meeting of the directors to which this Article 99.2 applies shall be deemed to take place where the majority of those participating is assembled or, if there is no majority, at the place where the chairman of the meeting is present.

100. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. A meeting of the directors at which a quorum is present shall be competent to exercise all powers and discretions for

the time being exercisable by the directors.

101. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting. If there be no director or directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

102.1 Subject to prior approval by ordinary resolution the directors may appoint from their number a chairman and a deputy chairman (or two or more deputy chairmen) and may at any time remove any of them from such office. The members may by ordinary resolution nominate one or more directors as a candidate or candidates for appointment by the directors to the office of chairman or deputy chairman. Unless he is unwilling to do so, the director so appointed as chairman, or failing him a deputy chairman, shall preside at every meeting of directors at which he is present. But if there is no director holding either such office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting. If at any time there is more than one deputy chairman the right in the absence of the chairman to preside at a meeting of the directors or of the Company shall be determined as between the deputy chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the directors.

102.2 The directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as by such exercise they can secure) that no chairman or deputy chairman of a subsidiary undertaking of the Company shall be appointed without prior approval by Shareholders' Decision.

103. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director or as a member of such committee shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any person acting as aforesaid or that any of them was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

104. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or, as the case may be, of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an

alternate director, it need not be signed by the alternate director in that capacity.

105. A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of Section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the directors in accordance with that Section. Subject, where applicable, to such disclosure, a director shall be entitled to vote in respect of any such contract or proposed contract in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

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

107. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

SECRETARY

108. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit. Any secretary so appointed may be removed by them, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as joint secretaries. The directors may also appoint from time to time on such terms as they think fit one or more deputy and/or assistant secretaries.

MINUTES

109. The directors shall cause minutes to be made in books kept for the purpose:

109.1 of all appointments of officers made by the directors; and

109.2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

AUTHENTICATION OF DOCUMENTS

110. Any director or the secretary or any person appointed by the directors for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a shareholders' meeting or at a meeting of the directors or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any book, record, document or account is elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the directors as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

THE SEAL

111.1 The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director, and any instrument to which an official seal is affixed need not, unless the directors for the time being otherwise determine or the law otherwise requires, be signed by any person.

111.2 The Company may exercise all the powers conferred by the Act with regard to having official seals and such powers shall be vested in the directors.

111.3 The directors may resolve that the Company shall not have a seal.

112. Any instrument signed by one director and the secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under the seal, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be signed without the authority of the directors or of a committee of directors authorised by the directors.

DIVIDENDS

113. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors. If so directed by Shareholders' Decision, the directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary

undertakings so as to secure (so far as by such exercise they can secure) that such subsidiary undertakings declare dividends in the amount and manner specified by any Shareholders' Decision provided that no such dividend shall exceed the amount recommended by the directors of the relevant subsidiary undertaking.

114. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

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

116. A Shareholders' Decision declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

117. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder or otherwise by operation of law, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque by the

bankers upon whom it is drawn shall be a good discharge to the Company. Every such cheque shall be sent at the risk of the person entitled to the money represented thereby. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable or property distributable in respect of the share.

118. Subject to the provisions of these Articles and to the rights attaching to any share, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the directors may determine and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

119. The payment by the directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

120. The directors may deduct from any dividend or other moneys payable to any member or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company.

ACCOUNTS

121. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by Shareholders' Decision. If so directed by Shareholders' Decision, the directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as by such exercise they can secure) that any member of the Company specified in the Shareholders' Decision shall have such rights of inspection as are specified.

CAPITALISATION OF PROFITS

122. The directors may with the authority of a Shareholders' Decision:

122.1 subject as hereinafter provided, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account;

122.2 appropriate the sum to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the

same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other. However, the share premium account, the capital redemption reserve and any other amounts which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

122.3 do all acts and things considered necessary or expedient to give effect to any capitalisation and make such provision as they think fit in the case of fractional entitlements which would arise on the basis aforesaid, including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned; and

122.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

The directors shall exercise all powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (so far as by such exercise they can secure) that such subsidiary undertakings do not exercise any similar powers of capitalisation unless such action has first been authorised by Shareholders' Decision.

NOTICES

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

124. Any notice or other document (including a share certificate) may be served on or delivered to any member by the Company either personally, or by sending it by post addressed to the member at his registered address or by telex or facsimile transmission to a number provided by the member for this purpose, or by leaving it at his registered address addressed to the member, or by any other means authorised in writing by the member concerned. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders.

125. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be

deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

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

127. Except where otherwise provided, any notice or other document, if sent by post, shall be deemed to have been served or delivered at the expiration of 24 hours (or, where second-class mail is employed, 48 hours) after the time when the cover containing the same is posted and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document left at a registered address, otherwise than by post, or telexed or sent by facsimile transmission to it shall be deemed to have been served or delivered on the day it was so left or received by telex or facsimile transmission. However, any Shareholders' Decision shall only be deemed to have been served or delivered on the day it is received at the Company's office.

128. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or other event had not occurred.

WINDING-UP

129. If the Company is wound up, the liquidator may, with the sanction of a Shareholders' Decision and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets as he deems fair and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no contributory shall be compelled to accept any assets in respect of which there is a liability.

DESTRUCTION OF DOCUMENTS

130. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of

address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:

- 130.1 the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 130.2 nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- 130.3 references herein to the destruction of any document include references to the disposal thereof in any manner.

INDEMNITY

131.1 Subject to the provisions of and so far as may be consistent with the Act, every director, auditor, secretary or other officer of the Company shall be indemnified by the Company out of its own funds against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

131.2 Without prejudice to Article 131.1 but subject to obtaining prior approval by Shareholders' Decision, the directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of any Relevant Company (as

defined in Article 131.3) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.

131.3 For the purpose of Article 131.2 *Relevant Company* shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.