

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PUBLIC LIMITED COMPANY**

Company No. 2983302

The Registrar of Companies for England and Wales hereby certifies that
AMBERFLAME PLC

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

Given at Companies House, London, the 20th October 1994



2983302

L. Mills

MRS L. MILLS

For The Registrar Of Companies



COMPANIES HOUSE

G

COMPANIES FORM No. 12

12

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

CHA 116

Please do not
write in
this margin

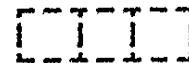
Pursuant to section 12(3) of the Companies Act 1985

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

To the Registrar of Companies

For official use

For official use



2983302

Name of company

* AMBERFLAME PLC

* Insert full
name of Company

I, ANGELA ORBAN ON BEHALF OF LEGIBUS SECRETARIES LIMITED
of 200 ALDERSGATE STREET
LONDON EC1A 4JJ

† delete as
appropriate

do solemnly and sincerely declare that I am a ~~Solicitor engaged in the formation of the company~~
(person named as ~~director~~ or secretary of the company in the statement delivered to the registrar
under section 10(2)) † and that all the requirements of the above Act in respect of the registration of the
above company and of matters precedent and incidental to it have been complied with.

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

Declared at 35 BASINGHALL STREET
LONDON EC2

Declarant to sign below

the 19th day of October
One thousand nine hundred and 94
before me M. M. M. M. M.

Witnessed on behalf of LEGIBUS SECRETARIES

ALOR
Assistant Secretary

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

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

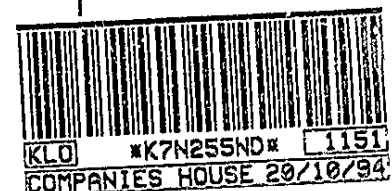
Legibus Secretaries Ltd
200 Aldersgate Street
London EC1A 4JJ

PJC/CAL

For official Use

New Companies Section

Post room



Package: 'Laserform'
by Laserform International Ltd.

Companies House Approval No: CHA 116

10

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

This form should be completed in black.

Company name (in full)

☒ CN 2983302

For official use ☐

AMBERFLAME PLC

Registered office of the company on
incorporation.

☒ RO 200 Aldersgate Street

Post town London

County/Region

Postcode EC1A 4JJ

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

☒ X

Name LEGIBUS SECRETARIES LIMITED

☒ RA 200 Aldersgate Street

Post town London

County/Region

Postcode EC1A 4JJ



Number of continuation sheets attached ☐

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

LEGIBUS SECRETARIES LIMITED ATTN: Mrs D Ward

200 Aldersgate Street

London

Postcode EC1A 4JJ

Telephone 071-600 1000

Extension 1562

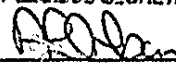
Company Secretary

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

Address

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

Consent signature

CS			
LEGIBUS SECRETARIES LIMITED			
AD	200 Aldersgate Street		
Post town London			
County/Region			
Postcode EC1A 4JJ		Country England	
I consent to act as secretary of the company named on page 1			
For and on behalf of LEGIBUS SECRETARIES LTD.			
Signed 		Date 18.10.94	

Directors

Please list directors in alphabetical order.

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

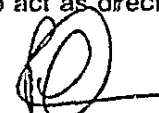
Address

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

Date of birth
Business occupation
Other directorships

* Voluntary details

Consent signature

CD	Mr		
Peter John			
CHARLTON			
AD	17 Kirkdale Road		
Post town Harpenden			
County/Region Hertfordshire			
Postcode		Country England	
DO	1 6 1 2 5 5	NA	British
OC	Solicitor		
OD	Legibus Secretaries Ltd., Legibus Nominees Ltd.,		
Clifford Chance Ltd.			
I consent to act as director of the company named on page 1			
Signed 		Date 18.10.94	

Directors (continued)

Name *Style/Title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Address

Usual residential address must be given;

In the case of a corporation, give the registered or principal office address.

Date of birth

Business occupation

Other directorships

* Voluntary details

Consent signature

CD Mr

Martin Edgar

RICHARDS

AD 89 Thurleigh Road

Post town London

County/Region

Postcode SW12 8TY

Country England

DO 2 7 0 2 4 3Nationality **NA** British**OC** Solicitor**OD** Legibus Secretaries Ltd., Legibus Nominees Ltd.

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

Signed



Date 18.10.94

Delete if the form is signed by the subscribers.

Signature of agent on behalf of all subscribers Date

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

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

Signed



Date 18.10.94

Signed

For and on behalf of
Legibus Nominees Limited

Date

Signed



Date 18.10.94

Signed

For and on behalf of
Legibus Secretaries Limited

Date

Signed

Date

Signed

Date

2983302
201099
11/9

THE COMPANIES ACTS 1985 and 1989

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

AMBERFLAME PLC



1. The Company's name is "AMBERFLAME PLC"
2. The Company is to be a public company.
3. The Company's registered office is to be situated in England and Wales.
4. The Company's objects are:
 - (A) (i) To carry on business as manufacturers, builders and suppliers of and dealers in goods of all kinds, and as mechanical, general, electrical, marine, radio, electronic, aeronautical, chemical, petroleum, gas, civil and constructional engineers, and manufactures, importers and exporters of, dealers in machinery, plant and equipment of all descriptions and component parts thereof, forgings, castings, tools, implements, apparatus and all other articles and things.
 - (ii) To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or guaranteed by a body corporate constituted or carrying on business in any part of the world or by an government sovereign ruler, commissioners, public body or authority and to hold the same as investments, and to sell, exchange, carry and dispose of the same.
 - (iii) To carry on the businesses in any part of the world as importers, exporters, buyers, sellers, distributors and dealers and to win, process and work produce of all kinds.
- (B) To carry on the following businesses, namely, contractors, garage proprietors, filling station proprietors, owners and charterers of road vehicles, aircraft and ships and boats of every description, lightermen and carriers of goods and passengers by road, rail, water or air, forwarding, transport and commission agents, customs agents, stevedores, wharfingers, cargo superintendents, packers, warehouse storekeepers, cold store keepers, hotel proprietors,

caterers, publicans, consultants, advisers, financiers, bankers, advertising agents, insurance brokers, travel agents, ticket agents and agency business of all kinds and generally to provide entertainment for and render services of all kinds to others and to carry on any other trade or business which can in the opinion of the directors be advantageously carried on by the Company in connection with or ancillary to any of the businesses of the Company.

- (C) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified in clause 4, or which may be required by persons having, or about to have, dealings with the Company.
- (D) To build, construct, maintain, alter, enlarge, pull down, remove and replace any buildings, shops, factories, offices, works, machinery and engines, and to work, manage and control these things.
- (E) To enter into contracts, agreements and arrangements with any person for the carrying out by that person on behalf of the Company of any object for which the Company is formed.
- (F) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person carrying on any business which may in the opinion of the directors be capable of being conveniently carried on, or calculated directly or indirectly to enhance the value of or make profitable any of the Company's property or rights, or any property suitable for the purposes of the Company.
- (G) To enter into any arrangement with a government or authority, whether national, international, supreme, municipal, local or otherwise, that may in the opinion of the directors be conducive to any object of the Company, and to obtain from that government or authority any right, privilege or concession which in the opinion of the directors is desirable, and to carry out, exercise and comply with that arrangement, right, privilege or concession.
- (H) To apply for, purchase and by other means acquire, protect, prolong and renew any patent, patent right, brevet d'invention, licence, secret process, invention, trade mark, service mark, copyright, registered design, protection, concession and right of the same or similar effect or nature, and to use, turn to account, manufacture under and grant licences and privileges in respect of those things, and to spend money in experimenting with, testing, researching, improving and seeking to improve any of those things.
- (I) To acquire an interest in, amalgamate with and enter into partnership or any arrangement for the sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person, or with any employees of the Company. To lend money to, guarantee the contracts of, and otherwise assist that person or those employees, and to take and otherwise acquire an interest in that person's shares or other securities and to sell, hold, re-issue, with or without guarantee, and otherwise deal with those shares or other securities.
- (J) To lend money to, subsidise and assist any person, to act as agents for the collection, receipt and payment of money and generally to act as agents and brokers for and perform services for any person, and to undertake and perform sub-contracts.

- (K) To enter into any guarantee or contract of indemnity or suretyship, and to provide security, including, without limitation, the guarantee and provision of security for the performance of the obligations of or the payment of any money (including, without limitation, capital, principal, premiums, dividends, interest, commissions, charges, discount and any related costs or expenses whether on shares or other securities) by any person including, without limitation, any body corporate which is for the time being the Company's holding company, the Company's subsidiary, a subsidiary of the Company's holding company or any person which is for the time being a member or otherwise has an interest in the Company or is associated with the Company in any business or venture, with or without the Company receiving any consideration or advantage (whether direct or indirect), and whether by personal covenant or mortgage, charge or lien over all or part of the Company's undertaking, property, assets or uncalled capital (present and future) or by other means. For the purposes of paragraph (K) "guarantee" includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for shares or other securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person.
- (L) To promote, finance and assist any person for the purpose of acquiring all or any of the property, rights and undertaking or assuming the liabilities of the Company, or for any other purpose which may in the opinion of the directors directly or indirectly benefit the Company, and in that connection to place, guarantee the placing of, underwrite, subscribe for and otherwise acquire all or any part of the shares or other securities of a body corporate.
- (M) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of and raising money for the Company and the issue of its shares or other securities, including, without limitation, those incurred in connection with the advertising and offering of its shares or other securities for sale or subscription, brokerage and commissions for obtaining applications for and taking, placing, underwriting or procuring the underwriting of its shares or other securities.
- (N) To remunerate any person for services rendered or to be rendered to the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- (O) To purchase, take on lease, exchange, hire and otherwise acquire any real or personal property and any right or privilege over or in respect of it.
- (P) To receive money on deposit on any terms the directors think fit.
- (Q) To invest and deal with the Company's money and funds in any way the directors think fit.
- (R) To lend money and give credit with or without security.
- (S) To borrow, raise and secure the payment of money in any way the directors think fit, including, without limitation, by the issue of debentures and other securities, perpetual or

otherwise, charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem and pay off those securities.


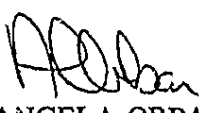
- (T) To remunerate any person for services rendered or to be rendered in placing, assisting and guaranteeing the placing and procuring the underwriting of any share or other security of the Company or of any person in which the Company may be interested or proposes to be interested, or in connection with the conduct of the business of the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- (U) To subscribe for, acquire and hold (in each case absolutely or conditionally) shares, debentures and other securities of any person and to co-ordinate, finance and manage the business and operation of any person in which the Company has an interest.
- (V) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (W) To sell, lease, exchange, let on hire and dispose of any real or personal property and the whole or part of the undertaking of the Company, for such consideration as the directors think fit, including, without limitation, for shares, debentures or other securities, whether fully or partly paid up, of any person, whether or not having objects (altogether or in part) similar to those of the Company. To hold any shares, debentures and other securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over, turn to account or otherwise deal with all or any part of the property or rights of the Company.
- (X) To adopt any means of publicising and making known the businesses, services and products of the Company as the directors think fit, including, without limitation, advertisement, publication and distribution of notices, circulars, books and periodicals, purchase and exhibition of works of art and interest and granting and making of prizes, rewards and donations.
- (Y) To support, subscribe to and contribute to any charitable or public object and any institution, society and club which may be for the benefit of the Company or persons who are or were directors, officers or employees of the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company, or which may be connected with any town or place where the Company carries on business. To subsidise and assist any association of employers or employees and any trade association. To grant pensions, gratuities, annuities and charitable aid and to provide advantages, facilities and services to any person (including any director or former director) who may have been employed by or provided services to the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company and to the spouses, children, dependants and relatives of those persons and to make advance provision for the payment of those pensions, gratuities and annuities by establishing or acceding to any trust, scheme or arrangement (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation) the directors think fit, to appoint trustees and to act

as trustee of any trust, scheme or arrangement, and to make payments towards insurance for the benefit of those persons and their spouses, children, dependants and relatives.

- (Z) To establish and contribute to any scheme for the purchase or subscription by trustees of shares or other securities of the Company to be held for the benefit of the employees of the Company, any subsidiary of the Company or any person allied to or associated with the Company, to lend money to those employees or to trustees on their behalf to enable them to purchase or subscribe for shares or other securities of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees.
- (AA) To apply for, promote and obtain any Act of Parliament and any order or licence of any government department or authority (including, without limitation, the Department of Trade and Industry) to enable the Company to carry any of its objects into effect, to effect any modification of the Company's constitution and for any other purpose which the directors think fit, and to oppose any proceeding or application which may in the opinion of the directors directly or indirectly prejudice the Company's interests.
- (BB) To establish, grant and take up agencies, and to do all other things the directors may deem conducive to the carrying on of the Company's business as principal or agent, and to remunerate any person in connection with the establishment or granting of an agency on the terms and conditions the directors think fit.
- (CC) To distribute among the shareholders in specie any of the Company's property and any proceeds of sale or disposal of any of the Company's property and for that purpose to distinguish and separate capital from profits, but no distribution amounting to a reduction of capital may be made without any sanction required by law.
- (DD) To purchase and maintain insurance for the benefit of any person who is or was an officer or employee of the Company, a subsidiary of the Company or a company in which the Company has or had an interest (whether direct or indirect) or who is or was trustee of any retirement benefits scheme or any other trust in which any officer or employee or former officer or employee is or has been interested, indemnifying that person against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.
- (EE) To amalgamate with any other person and to procure the Company to be registered or recognised in any part of the world.
- (FF) To do all or any of the things provided in any paragraph of clause 4:
 - (i) in any part of the world;
 - (ii) as principal, agent, contractor, trustee or otherwise;
 - (iii) by or through trustees, agents, subcontractors or otherwise; and
 - (iv) alone or with another person or persons.

- (GG) To do all things that are in the opinion of the directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.
- (HH) The objects specified in each paragraph of clause 4 shall, except where otherwise provided in that paragraph, be regarded as independent objects, and are not limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of clause 4 or the objects or powers specified or conferred in or by them is deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph. The Company has as full a power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company.
- (II) In clause 4, a reference to:
- (i) a "person" includes a reference to a body corporate, association or partnership whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated;
 - (ii) the "Act" is, unless the context otherwise requires, a reference to the Companies Act 1985, as modified or re-enacted or both from time to time; and
 - (iii) a "subsidiary" or "holding company" is to be construed in accordance with section 736 of the Act.
5. The liability of the members is limited.
6. The Company's share capital is £50,000 divided into 50,000 shares of £1 each.

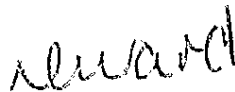
WE, the subscribers to this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum and we agree to take the number of shares in the capital of the Company shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS	Number of Shares taken by each Subscriber
 CHRISTINE A LEE For and on behalf of Legibus Nominees Limited 200 Aldersgate Street London EC1A 4JJ	<i>one</i> ONE
 ANGELA ORBAN For and on behalf of Legibus Secretaries Limited 200 Aldersgate Street London EC1A 4JJ	<i>ONE</i> ONE

DATED this 19th day of October, 1994.

WITNESS to the above Signatures:-

DENISE WARD
200 Aldersgate Street
London EC1A 4JJ



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THE COMPANIES ACTS 1985 AND 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

AMBERFLAME PLC

PRELIMINARY



1. Interpretation

(A) In the articles:

"Act" means unless the context otherwise requires, the Companies Act 1985, including any statutory modification or re-enactment for the time being in force;

"Acts" means the Companies Acts 1985 and 1989 and all statutes and subordinate legislation for the time being in force concerning companies so far as they apply to the Company;

"articles" means these articles of association as amended from time to time;

"auditors" means the auditors of the Company;

"board" means the board of directors of the Company or the directors present or deemed to be present at a duly convened meeting of the directors at which a quorum is present;

"business day" means a day (not being a Saturday or Sunday) on which clearing banks are open for business in London;

"clear days" means, in relation to a period of notice, 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;

"company" includes any body corporate (not being a corporation sole) or association of persons, whether or not a company within the meaning of the Act;

"director" means, unless the context otherwise requires, a director of the Company;

"dividend" includes bonus;

"entitled by transmission" means, in relation to a share, entitled as a consequence of the death or bankruptcy of a member or of another event giving rise to a transmission of entitlement by operation of law;

"executed" includes, in relation to a document, execution under hand or under seal or by another method permitted by law;

"holder" means, in relation to a share, the member whose name is entered in the register as the holder of that share;

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

"member" means, unless the context otherwise requires, a member of the Company;

"office" means the registered office of the Company;

"paid", "paid up" and "paid-up" include credited as paid or paid up;

"recognised person" means a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange which is designated for the purposes of section 185(4) of the Act;

"register" means, unless the context otherwise requires, the register of members kept pursuant to section 352 of the Act;

"seal" means, unless the context otherwise requires, the common seal of the Company or any official or securities seal that the Company may have or may be permitted to have under the Acts;

"secretary" means the secretary of the Company and includes any assistant or deputy secretary and a person appointed by the board to perform the duties of the secretary;

- (B) Words and expressions contained in these articles which are not defined in paragraph (A) have, unless the contrary is indicated, the same meaning as in the Act, but excluding any statutory modification to the Act not in force at the date of adoption of these articles.
- (C) Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution shall also be effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution shall also be effective for that purpose.
- (D) The headings in the articles do not affect the interpretation of the articles.

2. Table A not to apply

No regulations contained in any statute or subordinate legislation, including the regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended), apply as the regulations or articles of association of the Company.

SHARE CAPITAL

3. Authorised capital

The authorised share capital of the Company at the date of adoption of these articles is £50,000 divided into 50,000 shares of £1 each.

4. Allotment

- (A) Subject to the Acts and relevant authority of the Company in general meeting required by the articles and the Acts, the board has general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of unissued shares (whether forming part of the original or any increased capital), or rights to subscribe for or convert any security into shares, to such persons, at such times and on such terms and conditions as the board may decide but no share may be issued at a discount.
- (B) The board may at any time after the allotment of a share but before a person has been entered in the register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on the terms and conditions the board thinks fit.

5. Power to attach rights

Subject to the Acts and to the rights attached to existing shares, new shares may be allotted or issued with or have attached to them such special rights or restrictions as the Company may by ordinary resolution decide, or, if no resolution is passed, as the board may decide.

6. Redeemable shares

Subject to the Acts and to the rights attached to existing shares, shares may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed.

7. Variation of rights

- (A) Subject to the Acts, the rights attached to a class of shares may be varied whether or not the Company is being wound up (i) in such manner (if any) as may be provided by those rights, or (ii) in the absence of provision, either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with the articles, but not otherwise.
- (B) The rights attached to a class of shares are not, unless otherwise expressly provided in the rights attaching to those shares, deemed to be varied by the creation or issue of further shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Acts and article 38.

8. Commission

The Company may exercise all powers conferred or permitted by the Acts of paying commission or brokerage. Subject to the Acts, commission or brokerage may be satisfied by the payment of cash or the allotment of fully- or partly-paid shares or the grant of an option to call for an allotment of shares or by any combination of these methods.

9. Trusts not recognised

Except as ordered by a court of competent jurisdiction or as required by law, the Company shall not recognise a person as holding a share on trust and is not bound by or otherwise compelled to recognise (even if it has notice of it) an equitable, contingent, future, partial or other claim to or interest in a share other than an absolute right in the holder to the whole of the share.

SHARE CERTIFICATES

10. Right to certificate

- (A) Subject to the Acts and the requirements of the London Stock Exchange, a person (except a recognised person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) on becoming the holder of a share is entitled, unless the terms of issue of the shares provide otherwise, without charge, to one certificate for all the shares of a class registered in his name or, in the case of shares of more than one class being registered in his name, to a separate certificate for each class of shares.
- (B) Where a member (other than a recognised person) transfers part of his shares comprised in a certificate he is entitled, without charge, to one certificate for the balance of shares retained by him.
- (C) The Company is not bound to issue more than one certificate for shares held jointly by two or more persons and delivery of a certificate to one joint holder is sufficient delivery to all joint holders.
- (D) A certificate shall specify the number and class and the distinguishing numbers (if any) of the shares in respect of which it is issued and the amount paid up on the shares. It shall be issued under a seal, which may be affixed to or printed on it, or in such other manner having the same effect as if issued under a seal as the board may approve, having regard to the terms of issue and the requirements of the London Stock Exchange.

11. Replacement certificates

- (A) Where a member holds two or more certificates for shares of one class, the board may at his request, on surrender of the original certificates and without charge, cancel the certificates and issue a single replacement certificate.

- (B) At the request of a member, the board may cancel a certificate and issue two or more in its place (representing shares in such proportions as the member may specify), on surrender of the original certificate and on payment of such reasonable sum as the board may decide.
- (C) Where a certificate is worn out, defaced, lost or destroyed, the board may cancel it and issue a replacement certificate on such terms as to provision of evidence and indemnity (with or without security) and to payment of any exceptional out-of-pocket expenses incurred by the Company in the investigation of that evidence and the preparation of that indemnity and security as the board may decide, and on surrender of the original certificate (where it is worn out or defaced).

LIEN

12. Company's lien on shares not fully paid

- (A) The Company has a first and paramount lien on every share (other than a fully-paid share) registered in the name of a member (whether solely or jointly with another person) for an amount payable in respect of the share, whether the due date for payment has arrived or not. The lien applies to all dividends from time to time declared or other amounts payable in respect of the share.
- (B) The board may either generally or in a particular case declare a share to be wholly or partly exempt from the provisions of this article. Unless otherwise agreed with the transferee, the registration of a transfer of a share operates as a waiver of the Company's lien (if any) on that share.

13. Enforcement of lien by sale

- (A) For the purpose of enforcing the lien, the board may sell shares subject to the lien in such manner as it may decide, if the due date for payment of the relevant amounts has arrived and payment is not made within 14 clear days after the service of a notice in writing (stating, and demanding payment of, the amounts and giving notice of the intention to sell in default of payment) on the member concerned (or to a person entitled by transmission to the shares).
- (B) To give effect to a sale, the board may authorise a person to execute an instrument of transfer of shares in the name and on behalf of the holder of or the person entitled by transmission to the shares to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity in or invalidity of the proceedings connected with the sale.

14. Application of proceeds of sale

The net proceeds of a sale effected under article 13, after payment of the costs of the sale, shall be applied by the Company in or towards satisfaction of the amount in respect of which the lien exists. Any residue shall (on surrender to the Company for cancellation of the certificate for the shares sold, or the provision of an indemnity (with or without security) as to any lost or destroyed certificate required by the board and subject to a like lien for amounts

not presently payable as existed on the shares before the sale) be paid to the member or a person entitled by transmission to the shares immediately before the sale.

CALLS ON SHARES

15. Calls

Subject to the terms of issue, the board may make calls on members in respect of amounts unpaid on the shares or a class of shares held by them respectively (whether in respect of nominal value or a premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (on receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company the amount called as required by the notice. A call may be made payable by instalments and may, at any time before receipt by the Company of an amount due, be revoked or postponed in whole or in part as the board may decide. A call is deemed made at the time when the resolution of the board authorising it is passed. A person on whom a call is made remains liable to pay the amount called despite the subsequent transfer of the share in respect of which the call is made. The joint holders of a share are jointly and severally liable for payment of a call in respect of that share.

16. Power to differentiate

The board may make arrangements on the allotment or issue of shares for a difference between the allottees or holders in the amounts and times of payment of a call on their shares.

17. Interest on calls

If the whole of the amount called is not paid on or before the date fixed for payment, the person by whom it is payable shall pay interest on the unpaid amount at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent. per annum) as the board may decide, from and including the date fixed for payment until but excluding the date of actual payment and all costs, charges and expenses incurred by the Company by reason of the non-payment. The board may waive payment of the interest in whole or in part.

18. Payment in advance

The board may, if it thinks fit, receive from a member all or part of the amounts uncalled and unpaid on shares held by him. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made. The Company may pay interest on the amount paid in advance, or on so much of it as from time to time exceeds the amount called on the shares in respect of which the payment in advance has been made, at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent. per annum) as the board may decide.

19. Amounts due on allotment treated as calls

An amount which becomes payable in respect of a share on allotment or on a date fixed pursuant to the terms of allotment (whether in respect of nominal value or a premium) or as an instalment of a call, is deemed to be a call. In case of non-payment, the provisions of the articles as to payment of interest and costs, charges and expenses, forfeiture or otherwise apply as if that amount has become payable by virtue of a call.

FORFEITURE

20. Notice if call not paid

If a member fails to pay the whole of a call or an instalment of a call on or before the date fixed for payment, the board may serve notice on the member or on a person entitled by transmission to the share in respect of which the call was made demanding payment, on a date not less than 14 clear days from the date of the notice, of the amount of the call outstanding and any interest that may have accrued on it and all costs, charges and expenses incurred by the Company by reason of the non-payment. The notice shall state (i) the place where payment is to be made, and (ii) that if the notice is not complied with the share in respect of which the call was made will be liable to be forfeited.

21. Forfeiture for non-compliance

If the notice referred to in article 20 is not complied with, a share in respect of which it is given may, at any time before payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture includes all dividends declared or other amounts payable in respect of the forfeited share and not paid before the forfeiture.

22. Notice after forfeiture

When a share has been forfeited, the Company shall serve notice of the forfeiture on the person who was before forfeiture the holder of the share or the person entitled by transmission to the share but no forfeiture is invalidated by an omission to give notice. An entry of the fact and date of forfeiture shall be made in the register.

23. Disposal of forfeited shares

- (A) Until cancelled in accordance with the Acts, a forfeited share and all rights attaching to it are deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before the forfeiture the holder or to another person, on such terms and in such manner as the board may decide. Where for this purpose a forfeited share is to be transferred, the board may authorise a person to execute an instrument of transfer of the share to the transferee. The Company may receive the consideration (if any) for the share on its disposal and may register the transferee as the holder of the share.
- (B) The board may before a forfeited share has been cancelled, sold, re-allotted or otherwise disposed of annul the forfeiture on such conditions as it thinks fit.

- (C) A statutory declaration by a director or the secretary that a share has been forfeited on the date stated in the declaration is conclusive evidence of the facts stated in the declaration against all persons claiming to be entitled to the share. The declaration (subject if necessary to the execution of an instrument of transfer) constitutes good title to the share and the person to whom the share is disposed of is not bound to see to the application of the consideration (if any). His title to the share is not affected by an irregularity in or invalidity of the proceedings connected with the forfeiture or disposal.

24. Arrears to be paid notwithstanding forfeiture

A person whose share has been forfeited ceases on forfeiture to be a member in respect of it and shall surrender to the Company for cancellation the certificate for the forfeited shares or shares. He remains liable to pay, and shall immediately pay to the Company, all calls, interest, costs, charges and expenses owing in respect of the share at the time of forfeiture, with interest, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at the rate (not exceeding, without the sanction of the Company given by ordinary resolution, 20 per cent. per annum) as the board may decide. The board may if it thinks fit enforce payment without allowance for the value of the share at the time of forfeiture or for consideration received on disposal.

25. Surrender

The board may accept the surrender of a share liable to be forfeited and in that case references in the articles to forfeiture include surrender.

UNTRACED SHAREHOLDERS

26. Power of sale

- (A) The Company is entitled to sell a share if:

- (i) during a period of not less than 12 years before the date of publication of the advertisements referred to in paragraph (A)(iii) (or, if published on two different dates, the first date) (the "relevant period"), and during the relevant period the Company has paid at least three cash dividends (whether interim or final),
- (ii) throughout the relevant period no cheque, order or warrant sent by the Company by post in a pre-paid envelope addressed to the holder of the share, or to the person entitled by transmission to the share, at his address on the register or other last-known address given by the member or other person has been cashed, and (b) no communication has been received by the Company from the member or person entitled by transmission (in his capacity as member or person entitled by transmission);
- (iii) on expiry of the relevant period the Company has given notice of its intention to sell the share by advertisement in a leading newspaper and in a newspaper circulating in the area of the address referred to in paragraph (A)(ii);

- (iv) the Company has not during a further period of three months after the date of the advertisements referred to in paragraph (A)(iii) (or the later advertisement if the advertisements are published on different dates) and before the exercise of the power of sale received a communication from the member or person entitled by transmission (in his capacity as member or person entitled by transmission); and
 - (v) the Company has first given notice in writing to the London Stock Exchange of its intention to sell the share.
- (B) In addition to the power of sale conferred by paragraph (A), if during the relevant period or a further period ending on the date when all the requirements of paragraphs (A)(i) to (v) have been satisfied an additional share has been issued in right of that held at the beginning of, or previously so issued during, those periods and all the requirements of paragraphs (A)(i) to (v) have been satisfied in respect of the additional share, the Company is entitled to sell the additional share.
- (C) To give effect to a sale pursuant to paragraphs (A) or (B), the board may authorise a person to execute an instrument of transfer of the share in the name and on behalf of the holder of, or the person entitled by transmission to, the share to the purchaser or his nominee. The purchaser is not bound to see to the application of the purchase money and the title of the transferee is not affected by an irregularity or invalidity in the proceedings connected with the sale of the share.

27. Application of proceeds of sale

The Company shall account to the member or other person entitled by transmission to the share for the net proceeds of sale by carrying all amounts received on sale to a separate account. The Company is deemed to be a debtor and not a trustee in respect of those amounts for the member or other person. Amounts carried to the separate account may either be employed in the business of the Company or invested as the board may think fit. No interest is payable on those amounts and the Company is not required to account for money earned on them.

TRANSFER OF SHARES

28. Form of transfer

A member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in another form approved by the board, and the instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register in respect of it.

29. Right to refuse registration

- (A) Subject to article 67, the board may, in its absolute discretion and without giving a reason, refuse to register the transfer of a share or renunciation of a renounceable letter of allotment unless all of the following conditions are satisfied:

- (i) it is in respect of a share which is fully paid;
 - (ii) it is in respect of a share on which the Company has no lien;
 - (iii) it is in respect of only one class of shares;
 - (iv) it is in favour of a single transferee or renouncee or not more than four joint transferees or renouncees;
 - (v) it is duly stamped (if required); and
 - (vi) it is delivered for registration to the office or such other place as the board may decide, accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person where a certificate has not been issued, or in the case of a renunciation) and such other evidence as the board may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.
- (B) If the board refuses to register the transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee. An instrument of transfer which the board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may, subject to article 139, be retained by the Company.

30. Fees on registration

No fee may be charged by the Company for registering the transfer of a share or the renunciation of a renounceable letter of allotment or other document relating to or affecting the title to a share or the right to transfer it or for making any other entry in the register.

31. Suspension of registration and closing of register

The registration of transfers may be suspended at such times and for such period (not exceeding 30 days in any year) as the board may decide and either generally or in respect of a particular class of shares.

TRANSMISSION OF SHARES

32. On death

- (A) The Company may recognise only the personal representatives of a deceased member as having title to a share held by that member alone or to which he alone was entitled. In the case of a share held jointly by more than one person, the Company may recognise only the survivor or survivors as being entitled to it.
- (B) Nothing in the articles releases the estate of a deceased member from liability in respect of a share which has been solely or jointly held by him.

33. Election of person entitled by transmission

- (A) A person becoming entitled by transmission to a share may, on production of any evidence the board may require, elect either to be registered as a member or to have a person nominated by him registered as a member.
- (B) If he elects to be registered himself, 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 provisions of the articles relating to the transfer of shares apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event giving rise to a transmission of entitlement had not occurred.
- (C) The board may give notice requiring a person to make the election referred to in article 33(A). If that notice is not complied with within 60 days the board may withhold payment of all dividends and other amounts payable in respect of the share until notice of election has been made.

34. Rights on transmission

Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share cease. The person entitled by transmission may, however, give a good discharge for dividends and other amounts payable in respect of the share and, subject to articles 33 and 122, has the rights to which he would be entitled if he were the holder of the share. The person entitled by transmission is not, however, before he is registered as the holder of the share, entitled in respect of it to receive notice of or exercise rights conferred by membership in relation to meetings of the Company or a separate meeting of the holders of a class of shares.

ALTERATION OF SHARE CAPITAL

35. Increase, consolidation, sub-division and cancellation

The Company may by ordinary resolution:

- (i) increase its share capital by a sum to be divided into shares of an amount prescribed by the resolution;
- (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (iii) subject to the Acts, sub-divide all or any of its shares into shares of a smaller amount and may by the resolution decide that the shares resulting from the sub-division have amongst themselves a preference or other advantage or be subject to a restriction; and

- (iv) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by a person and diminish the amount of its share capital by the amount of the shares so cancelled.

36. Fractions

If as the result of consolidation and division or sub-division of shares members become entitled to fractions of a share, the board may on behalf of the members deal with the fractions as it thinks fit. In particular, the board may:

- (i) sell fractions of a share to a person (including, subject to the Acts, to the Company) for the best price reasonably obtainable and distribute the net proceeds of sale in due proportion amongst the persons entitled (except that if the amount due to a person is less than £3, or such other sum as the board may decide, the sum may be retained for the benefit of the Company). To give effect to a sale the board may authorise a person to execute an instrument of transfer of shares to the purchaser or his nominee and may cause the name of the purchaser or his nominee to be entered in the register as the holder of the shares. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale; or
- (ii) subject to the Acts, issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation and division or sub-division, leaves a whole number of shares (such issue being deemed to have been effected immediately before consolidation or sub-division, as the case may be). The amount required to pay up those shares may be capitalised as the board thinks fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 128. In relation to the capitalisation the board may exercise all the powers conferred on it by article 128 without an ordinary resolution of the Company.

37. Reduction of capital

Subject to the Acts and to the rights attached to existing shares, the Company may by special resolution reduce its share capital, capital redemption reserve and share premium account in any way.

38. Purchase of own shares

Subject to the Acts, the Company may purchase shares of any class (including redeemable shares) in its own capital in any way. If at the date proposed for approval of the proposed purchase there are in issue shares of a class entitling the holders to convert into shares of another class, no purchase may take place unless it has been sanctioned by an extraordinary

resolution passed at a separate meeting (or meetings if there are two or more classes) of the holders of that class of convertible shares.

GENERAL MEETINGS

39. Annual general meeting

The Company shall hold annual general meetings, which shall be convened by the board, in accordance with the Acts.

40. Extraordinary general meeting

All general meetings of the Company other than annual general meetings are called extraordinary general meetings.

41. Convening of extraordinary general meetings

The board may convene an extraordinary general meeting whenever it thinks fit. The board must convene an extraordinary general meeting immediately on receipt of a requisition from members in accordance with the Acts and in default a meeting may be convened by requisitionists as provided in the Acts. At a meeting convened on a requisition or by requisitionists no business may be transacted except that stated by the requisition or proposed by the board. An Extraordinary General Meeting may also be convened in accordance with Article 92.

42. Length and form of notice

- (A) An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by not less than 21 clear days' notice. All other extraordinary general meetings shall be called by not less than 14 clear days' notice.
- (B) Subject to the Acts, and although called by shorter notice than that specified in paragraph (A), a general meeting is deemed to have been duly called if it is so agreed:
 - (i) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
 - (ii) in the case of another meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- (C) The notice of meeting shall specify:
 - (i) whether the meeting is an annual general meeting or an extraordinary general meeting;
 - (ii) the place, the date and the time of the meeting;

- (iii) in the case of special business, the general nature of that business;
 - (iv) if the meeting is convened to consider a special or an extraordinary resolution, the intention to propose the resolution as such; and
 - (v) with reasonable prominence, 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 also be a member.
- (D) The notice of meeting shall be given to the members (other than any who, under the provisions of the articles or the terms of issue of shares, are not entitled to receive notice), to the directors and to the auditors.

43. Omission to send notice

The accidental omission to send a notice of meeting or, in cases where it is sent out with the notice, an instrument of proxy to, or the non-receipt of either by, a person entitled to receive it does not invalidate the proceedings at a general meeting.

44. Special business

All business transacted at a general meeting is deemed special except the following business at an annual general meeting:

- (i) the receipt and consideration of the annual accounts, the directors' report and auditors' report on those accounts;
- (ii) the appointment of directors and other officers in place of those retiring by rotation or otherwise ceasing to hold office;
- (iii) the declaration of dividends;
- (iv) the appointment of the auditors (when special notice of the resolution for appointment is not required by the Acts) and the fixing, or determination of the manner of the fixing, of their remuneration; and
- (v) the renewal of the authorities of the Company in general meeting required by the Acts in relation to the allotment of shares.

PROCEEDINGS AT GENERAL MEETINGS

45. Quorum

- (A) No business may be transacted at a general meeting unless a quorum is present. The absence of a quorum does not prevent the appointment of a chairman in accordance with the articles, which is not treated as part of the business of the meeting.

- (B) The quorum for a general meeting is for all purposes two members present in person or by proxy and entitled to vote.

46. Procedure if quorum not present

- (A) If a quorum is not present within thirty minutes from the time fixed for the start of the meeting, the meeting, if convened by or on the requisition of members, is dissolved. In any other case it stands adjourned to such time (being not less than 14 days nor more than 28 days later) and place as the chairman (or, in default, the board) decides.
- (B) At an adjourned meeting the quorum is two members present in person or by proxy and entitled to vote. If a quorum is not present within five minutes from the time fixed for the start of the meeting the adjourned meeting is dissolved.
- (C) The Company shall give not less than seven clear days' notice of any meeting adjourned for the lack of a quorum and the notice shall state the quorum requirement.

47. Chairman

The chairman (if any) of the board or, in his absence, the deputy chairman (if any) shall preside as chairman at a general meeting. If there is no chairman or deputy chairman, or if at a meeting neither is present within five minutes after the time fixed for the start of the meeting, or neither is willing to act, the directors present shall select one of their number to be chairman. If only one director is present and willing to act, he shall be chairman. In default, the members present in person and entitled to vote shall choose one of their number to be chairman.

48. Director's right to attend and speak

A director is entitled to attend and speak at a general meeting and at a separate meeting of the holders of a class of shares or debentures whether or not he is a member.

49. Power to adjourn

- (A) The chairman may, with the consent of a meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn a meeting from time to time and from place to place or for an indefinite period.
- (B) Without prejudice to any other power which he may have under the provisions of the articles or at common law, the chairman may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order (i) to secure the proper and orderly conduct of the meeting, or (ii) to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting, or (iii) to ensure that the business of the meeting is properly disposed of.

50. Notice of adjourned meeting

Without prejudice to article 46(C), whenever a meeting is adjourned for 28 days or more or for an indefinite period, at least seven clear days' notice specifying the place, the date and time of the adjourned meeting and the general nature of the business to be transacted shall be given to the members (other than any who, under the provisions of the articles or the terms of issue of the shares, are not entitled to receive notice), the directors and the auditors. Except in these circumstances, and subject to article 46(C), it is not necessary to give notice of an adjourned meeting or of the business to be transacted at the adjourned meeting.

51. Business at adjourned meeting

No business may be transacted at an adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

52. Accommodation of members at meeting

If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to (i) participate in the business for which the meeting has been convened, and (ii) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere, and (iii) be heard and seen by all other persons present in the same way.

53. Security

The board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

VOTING

54. Method of voting

- (A) At a general meeting, a resolution put to the vote of the meeting is decided by a show of hands unless (before or on the declaration of the result of the show of hands) a poll is duly demanded.
- (B) Subject to the Acts, a poll may be demanded on any question by:
 - (i) the chairman of the meeting; or
 - (ii) not less than five members present in person or by proxy and entitled to vote; or

- (iii) a member or members present in person or by proxy representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy 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.

A demand by a proxy is deemed to be a demand by the member appointing the proxy.

- (C) Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

55. Procedure on a poll

- (A) If a poll is properly demanded, it shall be taken in such manner as the chairman directs. He may 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 is deemed to be the resolution of the meeting at which the poll is demanded.
- (B) A poll demanded on the election of a chairman or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on another question shall be taken at such time and place as the chairman decides, either at once or after an interval or adjournment (but not more than 30 clear days after the date of the demand).
- (C) No notice need be given of a poll not taken immediately 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.
- (D) The demand for a poll may be withdrawn but only with the consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made. In the case of a poll demanded before the declaration of the result of a show of hands, the meeting shall continue as if the demand has not been made.
- (E) The demand for a poll (other than on the election of the chairman or on a question of adjournment) does not prevent the meeting continuing for the transaction of business other than the question on which a poll has been demanded.
- (F) On a poll, votes may be given in person or by proxy and a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

56. Votes of members

- (A) Subject to special terms as to voting on which shares have been issued, or a suspension or abrogation of voting rights pursuant to the articles, at a general meeting every member present in person has on a show of hands one vote and every member present in person or by proxy has on a poll one vote for every share of which he is the holder.
- (B) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority is determined by the order in which the names of the holders stand in the register.
- (C) A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or other person may, on a poll, vote by proxy if evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is deposited at the office (or at another place specified in accordance with the articles for the deposit of instruments of proxy) within the time limits prescribed by the articles for the deposit of instruments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

57. Casting vote

In the case of an equality of votes the chairman has, on a show of hands and on a poll, a casting vote in addition to a vote to which he is entitled as a member.

58. Restriction on voting rights for unpaid calls etc.

Unless the board otherwise decides, no member is entitled in respect of a share held by him to be present or to vote, either in person or by proxy, at a general meeting or at a separate meeting of the holders of class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll, if a call or other amount due and payable in respect of the share is unpaid. This restriction ceases on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of the non-payment.

59. Voting by proxy

- (A) An instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the board) executed by the appointor or his duly constituted attorney or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign.
- (B) An instrument of proxy is deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and to vote on a resolution or amendment of a resolution

put to, or other business which may properly come before, the meeting or meetings for which it is given, as the proxy thinks fit.

- (C) A proxy need not be a member.
- (D) A member may appoint more than one proxy to attend on the same occasion. When two or more valid but differing instruments of proxy are delivered for the same share for use at the same meeting, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share.
- (E) Deposit of an instrument of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting or on a poll.
- (F) An instrument of proxy is (unless the contrary is stated in it) valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. An instrument of proxy is valid for 12 months from the date of execution.
- (G) Subject to the Acts, the Company may send an instrument of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent the instrument shall provide for two-way voting (without prejudice to a right to abstain) on all resolutions set out in the notice of meeting.

60. Deposit of proxy

An instrument of proxy, and (if required by the board) a power of attorney or other authority under which it is executed or a copy of it notarially certified or certified in some other way approved by the board, shall be:

- (i) deposited at the office, or another place in the United Kingdom specified in the notice convening the meeting or in an instrument of proxy or other accompanying document sent by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the instrument proposes to vote; or
- (ii) in the case of a meeting adjourned for less than 28 days but more than 48 hours or in the case of a poll taken more than 48 hours after it is demanded, deposited as required by paragraph (i) not less than 24 hours before the time appointed for the holding of the adjourned meeting or the taking of the poll; or
- (iii) in the case of a meeting adjourned for less than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it was demanded, delivered at the adjourned meeting or at the meeting at which the poll was demanded to the chairman or to the secretary or to a director.

An instrument of proxy not deposited or delivered in accordance with this article is invalid.

61. When votes by proxy valid though authority revoked

A vote given or poll demanded by a proxy or authorised representative of a company is valid despite termination of his authority unless notice of termination is received by the Company at the office (or other place specified for depositing the instrument of proxy) at least one hour before the time for holding the meeting or adjourned meeting at which the vote is given 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.

CORPORATE REPRESENTATIVE

62. A company which is a member may, by resolution of its directors or other governing body, authorise a person to act as its representative at a meeting or at a separate meeting of the holders of a class of shares (the "representative"). The representative is entitled to exercise on behalf of the company (in respect of that part of the company's holding of shares to which the authorisation relates) those powers that the company could exercise if it were an individual member. The company is for the purposes of the articles deemed to be present in person at a meeting if the representative is present. All references to attendance and voting in person shall be construed accordingly. A director, the secretary or other person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

OBJECTIONS TO AND ERROR IN VOTING

63. No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman and only invalidates the result of the voting if, in the opinion of the chairman, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman is conclusive and binding on all concerned.

AMENDMENTS TO RESOLUTIONS

64. If an amendment proposed to a resolution under consideration is ruled out of order by the chairman the proceedings on the substantive resolution are not invalidated by an error in his ruling.

MEMBERS' WRITTEN RESOLUTIONS

65. 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 is as effective as if it had been passed at a general meeting duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more members. If the resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly.

CLASS MEETINGS

66. A separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as an extraordinary general meeting, except that:
- (i) no member, other than a director, is entitled to notice of it or to attend unless he is a holder of shares of that class;
 - (ii) no vote may be given except in respect of a share of that class;
 - (iii) the quorum at the meeting is two persons present in person holding or representing by proxy at least one-third in nominal value of the issued shares of that class;
 - (iv) the quorum at an adjourned meeting is two persons holding shares of that class who are present in person or by proxy; and
 - (v) a poll may be demanded in writing by a member present in person or by proxy and entitled to vote at the meeting and on a poll each member has one vote for every share of that class of which he is the holder.

FAILURE TO DISCLOSE INTERESTS IN SHARES

67.

- (A) Where notice is served by the Company under section 212 of the Act (a "section 212 notice") on a member, or another person appearing to be interested in shares held by that member and the member or other person has failed in relation to any shares (the "default shares", which expression includes any shares issued after the date of the section 212 notice in right of those shares) to give the Company the information required within the prescribed period from the date of the section 212 notice, the following sanctions apply, unless the board otherwise decides:
- (i) the member is not entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll; and
 - (ii) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
 - (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member is not entitled to elect, pursuant to article 128, to receive shares instead of a dividend; and
 - (b) no transfer of any share held by the member shall be registered unless the transfer is an excepted transfer or;

- (1) the member is not himself in default in supplying the information required; and
 - (2) the member proves to the satisfaction of the board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.
- (B) The sanctions under paragraph (A) cease to apply seven days after the earlier of:
- (i) receipt by the Company of an excepted transfer, but only in relation to the shares transferred; and
 - (ii) receipt by the Company, in a form satisfactory to the board, of all the information required by the section 212 notice.
- (C) Where, on the basis of information obtained from a member in respect of a share held by him, the Company issues a section 212 notice to another person, it shall at the same time send a copy of the section 212 notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraph (A).
- (D) For the purposes of this article 67:
- (i) a person, other than the member holding a share, is treated as appearing to be interested in that share if the member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
 - (ii) "interested" is construed as it is for the purpose of section 212 of the Act;
 - (iii) reference to a person having failed to give the Company the information required by a section 212 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
 - (iv) the "prescribed period" means 14 days:
 - (a) in a case where the default shares represent at least 0.25 per cent. of their class, 14 days; and
 - (b) in any other case, 28 days;
 - (v) an "excepted transfer" means, in relation to shares held by a member:
 - (a) a transfer pursuant to acceptance of a take-over offer for the Company (within the meaning of section 428(1) of the Act; or

- (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or
 - (c) a transfer which is shown to the satisfaction of the board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.
- (E) The provisions of this article are in addition and without prejudice to the provisions of the Acts.

APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

68. Number of directors

Unless and until otherwise decided by the Company by ordinary resolution the number of directors is not subject to a maximum but must not be less than two.

69. Power of the Company to appoint directors

Subject to the articles, the Company may by ordinary resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed a maximum number fixed in accordance with the articles.

70. Power of the board to appoint directors

Without prejudice to the power of the Company to appoint a person to be a director pursuant to the articles, the board may appoint a person who is willing to act as a director, either to fill a vacancy or as an addition to the board, but the total number of directors may not exceed a maximum number fixed in accordance with the articles. A director appointed in this way may hold office only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting. He is not required, and is not taken into account in determining the number of directors who are, to retire by rotation at the meeting.

71. Appointment of executive directors

Subject to the Acts, the board may appoint one or more of its body to hold employment or executive office (including that of managing director) with the Company for such term (subject to the Acts) and on any other conditions the board thinks fit. The board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of contract.

72. Eligibility of new directors

(A) No person other than a director retiring (by rotation or otherwise) may be appointed or reappointed a director at a general meeting unless:

- (i) he is recommended by the board; or
- (ii) not less than seven nor more than 42 days before the date fixed for the meeting, notice has been given to the Company by a member (other than the person to be proposed) qualified to vote at the meeting of the intention to propose that person for appointment or reappointment. The notice shall (a) state the particulars which would, if the proposed director were appointed or reappointed, be required to be included in the Company's register of directors, (b) be accompanied by notice given by the proposed director of his willingness to be appointed or reappointed, and (c) be lodged at the office.

(B) A director need not be a member.

73. Voting on resolution for appointment

A resolution for the appointment of two or more persons as directors by a single resolution is void unless an ordinary resolution that the resolution for appointment is proposed in this way has first been agreed to by the meeting without a vote being given against it.

74. Retirement by rotation

At each annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third, shall retire from office. If there are fewer than three directors who are subject to retirement by rotation, one shall retire from office.

75. Directors subject to retirement

Subject to the Acts and the articles, the directors to retire by rotation at an annual general meeting exclude a director appointed managing director pursuant to article 71 and include, so far as necessary to obtain the number required, first, a director who wishes to retire and not offer himself for reappointment, and, second, those directors who have been longest in office since their last appointment or reappointment. As between two or more who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot. The directors to retire on each occasion (both as to number and identity) shall be determined on the basis of the composition of the board at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the close of the meeting.

76. Position of retiring director

A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be reappointed. If he is not reappointed or deemed reappointed, he may retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

77. Deemed reappointment

At a general meeting at which a director retires by rotation the Company may fill the vacancy and, if it does not do so, the retiring director is, if willing, deemed reappointed unless it is expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost.

78. No retirement on account of age

No person is incapable of being appointed a director by reason of his having reached the age of 70 or another age. Special notice is not required in connection with the appointment or the approval of the appointment of such person. No director is required to vacate his office because he has reached the age of 70 or another age and section 293 of the Act does not apply to the Company. Where a general meeting is convened at which, to the knowledge of the board, a director is to be proposed for appointment or reappointment who is at the date of the meeting 70 or more, the board shall give notice of his age in the notice convening the meeting or in a document accompanying the notice, but the accidental omission to do so does not invalidate proceedings or an appointment or reappointment of that director at that meeting.

79. Removal by ordinary resolution

In addition to any power of removal conferred by the Acts, the Company may by ordinary resolution remove a director before the expiration of his period of office (without prejudice to a claim for damages for breach of contract) and may (subject to the articles) by ordinary resolution appoint another person who is willing to act to be a director in his place. A person appointed in this way is treated, for the purposes of determining the time at which he or another director is to retire, as if he had become a director on the date on which the person in whose place he is appointed was last appointed or reappointed a director.

80. Vacation of office by director

(A) Without prejudice to the provisions for retirement (by rotation or otherwise) contained in the articles, the office of a director is vacated if:

- (i) he resigns by notice delivered to the secretary at the office or tendered at a board meeting;
- (ii) he ceases to be a director by virtue of a provision of the Acts, is removed from office pursuant to the articles or becomes prohibited by law from being a director;

- (iii) he becomes bankrupt, has an interim receiving order made against him, makes an arrangement 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;
 - (iv) an order is made by a court of competent jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 and the board resolves that his office be vacated;
 - (v) both he and his alternate director appointed pursuant to the provisions of the articles (if any) are absent, without the permission of the board, from board meetings for six consecutive months and the board resolves that his office be vacated; or
 - (vi) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors (without prejudice to a claim for damages for breach of contract).
- (B) A resolution of the board declaring a director to have vacated office under the terms of this article is conclusive as to the fact and grounds of vacation stated in the resolution.

ALTERNATE DIRECTORS

81. Appointment

- (A) A director (other than an alternate director) may by notice delivered to the secretary at the office, or in any other manner approved by the board, appoint as his alternate director:
- (i) another director, or
 - (ii) another person approved by the board and willing to act.

No appointment of an alternate director who is not already a director is effective until his consent to act as a director in the form prescribed by the Acts has been received at the office.

- (B) An alternate director need not be a member and is not counted in reckoning the number of directors for the purpose of article 68.

82. Revocation of appointment

A director may by notice delivered to the secretary at the office revoke the appointment of his alternate director and, subject to the provisions of the preceding article 81, appoint another person in his place. If a director ceases to hold the office of director or if he dies, the appointment of his alternate director automatically ceases. If a director retires but is reappointed at the meeting at which his retirement takes effect, a valid appointment of an alternate director which was in force immediately before his retirement continues to operate

after his reappointment as if he has not retired. The appointment of an alternate director ceases on the happening of an event which, if he were a director otherwise appointed, would cause him to vacate office.

83. Participation in board meetings

An alternate director is, if he gives the Company an address in the United Kingdom at which notices may be served on him, entitled to receive notice of all meetings of the board and all committees of the board of which his appointor is a member and, in the absence from those meetings of his appointor, to attend and vote at the meetings and to exercise all the powers, rights, duties and authorities of his appointor. A director acting as alternate director has a separate vote at meetings of the board and committees of the board for each director for whom he acts as alternate director but he counts as only one for the purpose of determining whether a quorum is present.

84. Responsibility

A person acting as an alternate director is an officer of the Company, is alone responsible to the Company for his acts and defaults, and is not deemed to be the agent of his appointor.

REMUNERATION, EXPENSES AND PENSIONS

85. Directors' fees

Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the directors (but not alternate directors) for their services as directors such amount of aggregate fees as the Company may by ordinary resolution decide. The aggregate fees shall be divided among the directors in such proportions as the board decides or, if no decision is made, equally. A fee payable to a director pursuant to this article is distinct from any salary, remuneration or other amount payable to him pursuant to other provisions of the articles and accrues from day to day.

86. Additional remuneration

A director who, at the request of the board, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the board may decide.

87. Expenses

A director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director, including expenses incurred in attending meetings of the board or of committees of the board or general meetings or separate meetings of the holders of a class of shares or debentures.

88. Remuneration and expenses of alternate directors

An alternate director is not entitled to a fee from the Company for his services as an alternate director. The fee payable to an alternate director is payable out of the fee payable to his appointor and consists of such portion (if any) of the fee as he agrees with his appointor. The Company shall, however, repay to an alternate director expenses incurred by him in the performance of his duties if the Company would have been required to repay the expenses to him under article 87 had he been a director.

89. Directors' pensions and other benefits

- (A) The board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (by insurance or otherwise) for a person who is or has at any time been a director of (i) the Company, or (ii) a company which is or was a subsidiary undertaking of the Company, or (iii) a company which is or was allied to or associated with the Company or a subsidiary undertaking of the Company, or (iv) a predecessor in business of the Company or of a subsidiary undertaking of the Company (and for any member of his family, including a spouse or former spouse, or a person who is or was dependent on him). For this purpose the board may establish, maintain, subscribe and contribute to any scheme, trust or fund and pay premiums. The board may arrange for this to be done by the Company alone or in conjunction with another person.
- (B) A director or former director is entitled to receive and retain for his own benefit a pension or other benefit provided under paragraph (A) and is not obliged to account for it to the Company.

90. Remuneration of executive director

The salary or remuneration of a director appointed to hold employment or executive office in accordance with the articles may be a fixed sum of money, or wholly or in part governed by business done or profits made, or as otherwise decided by the board, and may be in addition to or instead of a fee payable to him for his services as director pursuant to the articles.

POWERS AND DUTIES OF THE BOARD

91. Powers of the board

Subject to the Acts, the memorandum of association of the Company and the articles and to directions given by special resolution of the Company, the business of the Company is managed by the board which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the memorandum of association or of the articles and no direction given by the Company invalidate a prior act of the board which would have been valid if the alteration had not been made or the direction had not been given. The provisions of the articles giving specific powers to the board do not limit the general powers given by this article.

92. Powers of directors being less than minimum required number

If the number of directors is less than the minimum prescribed by the articles or decided by the Company by ordinary resolution, the remaining director or directors may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If no director or directors is or are able or willing to act, two members may convene a general meeting for the purpose of appointing directors. An additional director appointed in this way holds office (subject to the articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the meeting.

93. Powers of executive directors

The board may delegate to a director holding executive office (including a managing director) any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the director. The board may at any time revoke the delegation or alter its terms and conditions.

94. Delegation to committees

The board may delegate any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit to a committee consisting of one or more directors and (if thought fit) one or more other persons. In particular, the board may grant the power to sub-delegate, and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the committee. The board may at any time revoke the delegation or alter its terms and conditions or discharge the committee in whole or in part. Where a provision of the articles refers to the exercise of a power, authority or discretion by the board and that power, authority or discretion has been delegated by the board to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

95. Local management

The board may establish local or divisional boards or agencies for managing the affairs of the Company in a specified locality, either in the United Kingdom or elsewhere, and may appoint persons to be members of a local or divisional board or agency, and may fix their remuneration. The board may delegate to a local or divisional board or agency any of its powers, authorities and discretions for such time and on such terms and conditions as it thinks fit. In particular, the board may grant the power to sub-delegate, may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the local or divisional board or agency and may authorise the members of a local or divisional board or agency (or any of them) to fill a vacancy or to act despite a vacancy. The board may at any time revoke or alter the terms and conditions of the appointment or delegation. Subject to terms and conditions imposed by the board, the proceedings of a local or divisional board or agency with two or more members are governed by those articles that regulate the proceedings of the board, so far as applicable.

96. Power of attorney

The board may by power of attorney or otherwise appoint a person to be the agent of the Company and may delegate to that person any of its powers, authorities and discretions for such purposes, for such time and on such terms and conditions (including as to remuneration) as it thinks fit. In particular, the board may grant the power to sub-delegate and may retain or exclude the right of the board to exercise the delegated powers, authorities or discretions collaterally with the agent. The board may at any time revoke or alter the terms and conditions of the appointment or delegation.

97. Associate directors

The board may appoint a person (not being a director) to an office or employment having a designation or title including the word "director" or attach to an existing office or employment that designation or title and may terminate the appointment or use of that designation or title. The inclusion of the word "director" in the designation or title of an office or employment does not imply that the person is, or is deemed to be, or is empowered to act as, a director for any of the purposes of the Acts or the articles.

98. Exercise of voting powers

Subject to article 101, the board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by the Company, or a power of appointment to be exercised by the Company, in any manner as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of a director as an officer or employee of that company or in favour of the payment of remuneration to the officers or employees of that company).

99. Provision for employees

The board may exercise the powers conferred on the Company by the Acts to make provision for the benefit of a person employed or formerly employed by the Company or any of its subsidiary undertaking (or any member of his family, including a spouse or former spouse, or any person who is or was dependent on him) in connection with the cessation or the transfer to a person of the whole or part of the undertaking of the Company or the subsidiary undertaking.

100. Registers

Subject to the Acts, the board may exercise the powers conferred on the Company with regard to the keeping of an overseas or local or other register and may make and vary regulations as it thinks fit concerning the keeping of a register.

101. Borrowing powers

The board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the Acts, to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party.

102. Register of charges

The Company shall keep a register of charges in accordance with the Acts and the fee to be paid by a person other than a creditor or member for each inspection of the register of charges is the maximum sum prescribed by the Acts or, failing which, decided by the board.

DIRECTORS' INTERESTS

103.

(A) Subject to the Acts and paragraph (B), a director, notwithstanding his office:

- (i) may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit or as seller, buyer or otherwise;
- (ii) may hold another office or place of profit with the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company, and in that case on such terms as to remuneration and otherwise as the board may decide either in addition to or instead of remuneration provided for by another article;
- (iii) may be a director or other officer of, or employed by, or a party to a contract, transaction, arrangement or proposal with or otherwise interested in, a company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has a power of appointment; and
- (iv) is not liable to account to the Company for a profit, remuneration or other benefit realised by such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit.

(B) A director who, to his knowledge, is in any way (directly or indirectly) interested in a contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the board after he knows that he is or has become interested. For the purposes of this article:

- (i) a general notice given to the board by a director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in a contract, transaction, arrangement or proposal in which a specified person or class of persons is interested is a sufficient disclosure under this article in relation to that contract, transaction, arrangement or proposal; and
 - (ii) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge is not treated as his interest.
- (C) Except as provided in this article, a director may not vote on, a resolution of the board or of a committee of the board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he is, to his knowledge, materially interested directly or indirectly (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to a resolution concerning any of the following matters:
- (i) the giving to him of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
 - (ii) the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
 - (iii) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - (iv) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a subsidiary undertaking of the Company) in which he is interested (directly or indirectly) and whether as an officer or shareholder, creditor or otherwise (a "relevant company"), if he is not the holder of or beneficially interested in one per cent. or more of the capital of the relevant company. For the purposes of this paragraph (iv):
 - (a) a director is deemed to have an interest in one per cent. or more of the capital of a relevant company if (directly or indirectly) he is the holder of or beneficially interested in one per cent. or more of a class of equity share capital of the relevant company or of the voting rights available to members of the relevant company or if he can cause one per cent. or more of those voting rights to be cast at his direction;
 - (b) shares held by a director as bare or custodian trustee and in which he has no beneficial interest, shares comprised in a trust in which the director's interest is in reversion or is in remainder (if and so long as another person is entitled

to receive the income from the trust) and shares comprised in an authorised unit trust scheme in which the director is interested only as a unit holder are disregarded;

(c) where a relevant company in the capital of which a director is deemed for the purposes of this paragraph (iv) to be interested in one per cent. or more is materially interested in a contract, the director is also deemed to be materially interested in that contract;

(v) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or personal pension plan or employees share scheme under which he may benefit and which either (a) has been approved by or is subject to and conditional on approval by the Board of Inland Revenue for taxation purposes, or (b) relates to both employees and directors of the Company (or any of its subsidiary undertakings) and does not accord to a director as such a privilege or advantage not accorded to the employees to whom the scheme or fund relates;

(vi) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiary undertakings under which the director benefits in a similar manner to employees and which does not accord to a director as such a privilege or advantage not accorded to the employees to whom it relates; and

(vii) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which he may benefit.

(D) A director may not vote or be counted in the quorum on a resolution of the board or committee of the board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In such case each of the directors concerned (if not otherwise debarred from voting under this article) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(E) If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.

(F) If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the

question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.

- (G) Subject to the Acts, the Company may by ordinary resolution suspend or relax the provisions of this article either generally or in respect of a particular matter or ratify any transaction not authorised by reason of a contravention of this article.
- (H) For the purposes of this article, the interest of a person who is for the purposes of the Acts connected with (within the meaning of section 346 of the Act) a director is treated as the interest of the director and, in relation to an alternate director, the interest of his appointor shall be treated as the interest of the alternate director in addition to an interest which the alternate director otherwise has. This article applies to an alternate director as if he were a director otherwise appointed.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

104. Board meetings

Subject to the articles, the board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.

105. Notice of board meetings

A director may, and the secretary at the request of a director shall, summon a board meeting at any time. Notice of a board meeting is deemed to be duly 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 another address given by him to the Company for that purpose. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively. A director absent or intending to be absent from the United Kingdom may request that notices of board meetings during his absence be sent in writing to him at an address given by him to the Company for that purpose. If no request is made it is not necessary to give notice of a board meeting to a director who is absent from the United Kingdom.

106. Quorum

The quorum necessary for the transaction of business may be decided by the board and until otherwise decided is two directors present in person or by alternate director. A duly convened meeting of the board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the board.

107. Chairman of board

The board may appoint one of its body as chairman to preside at every board meeting at which he is present and one or more deputy chairmen and decide the period for which he is or they are to hold office (and may at any time remove him or them from office). If no

chairman or deputy chairman is elected, or if at a meeting neither the chairman nor a deputy chairman is present within five minutes of the time fixed for the start of the meeting, the directors and alternate directors (in the absence of their appointors) present shall choose one of their number to be chairman. If two or more deputy chairmen are present, the senior of them shall act as chairman, seniority being determined by length of office since their last appointment or reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those directors and alternate directors (in the absence of their appointors) present. A chairman or deputy chairman may hold executive office or employment with the Company.

108. Voting

Questions arising at a meeting of the board are determined by a majority of votes. In case of an equality of votes the chairman has a second or casting vote.

109. Participation by telephone

A director or his alternate director may participate in a meeting of the board or a committee of the board through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Acts, all business transacted in this way by the board or a committee of the board is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the board or a committee of the board although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

110. Resolution in writing

A resolution in writing executed by all directors for the time being entitled to receive notice of a board meeting and not being less than a quorum or by all members of a committee of the board is as valid and effective for all purposes as a resolution passed at a meeting of the board (or committee, as the case may be). The resolution in writing may consist of several documents in the same form each executed by one or more of the directors or members of the relevant committee. The resolution in writing need not be signed by an alternate director if it is signed by his appointor and a resolution signed by an alternate director need not be signed by his appointor.

111. Proceedings of committees

- (A) Proceedings of committees of the board shall be conducted in accordance with regulations prescribed by the board (if any). Subject to those regulations and article 111(B), proceedings shall be conducted in accordance with applicable provisions of the articles regulating the proceedings of the board.

- (B) Where the board resolves to delegate any of its powers, authorities and discretions to a committee and that resolution states that the committee shall consist of any one or more unnamed directors, it is not necessary to give notice of a meeting of that committee to directors other than the director or directors who form the committee.

112. Minutes of proceedings

- (A) The board shall cause minutes to be made in books kept for the purpose of:

- (i) all appointments of officers and committees made by the board and of any remuneration fixed by the board; and
- (ii) the names of directors present at every meeting of the board, committees of the board, the Company or the holders of a class of shares or debentures, and all orders, resolutions and proceedings of such meetings.

- (B) If purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, minutes are receivable as prima facie evidence of the matters stated in them.

113. Validity of proceedings of board or committee

All acts done by a meeting of the board, or of a committee of the board, or by a person acting as a director, alternate director or member of a committee are, notwithstanding that it is afterwards discovered that there was a defect in the appointment of a person or persons acting, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office, as valid as if every such person had been duly appointed, and was duly qualified and had continued to be a director, alternate director or member of a committee and entitled to vote.

SECRETARY AND AUTHENTICATION OF DOCUMENTS

114. Secretary

- (A) Subject to the Acts, the board shall appoint a secretary or joint secretaries and may appoint one or more persons to be an assistant or deputy secretary on such terms and conditions (including remuneration) as it thinks fit. The board may remove a person appointed pursuant to this article from office and appoint another or others in his place.

- (B) Any provision of the Acts or of the articles requiring or authorising a thing to be done by or to a director and the secretary is not satisfied by its being done by or to the same person acting both as director and as, or in the place of, the secretary.

115. Authentication of documents

A director or the secretary or another person appointed by the board for the purpose may authenticate documents affecting the constitution of the Company (including the memorandum of association and the articles) and resolutions passed by the Company or holders of a class

of shares or the board or a committee of the board and books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

SEALS

116. Safe custody

The board shall provide for the safe custody of every seal.

117. Application of seals

A seal may be used only by the authority of a resolution of the board or of a committee of the board. The board may decide who will sign an instrument to which a seal is affixed (or, in the case of a share certificate, on which the seal may be printed) either generally or in relation to a particular instrument or type of instrument. The board may also decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means. Unless otherwise decided by the board:

- (i) share certificates and certificates issued in respect of debentures or other securities (subject to the provisions of the relevant instrument) need not be signed or, if signed, a signature may be applied by mechanical or other means or may be printed; and
- (ii) every other instrument to which a seal is affixed shall be signed by one director and by the secretary or a second director.

118. Official seal for use abroad

The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad, and those powers shall be vested in the board.

DIVIDENDS AND OTHER PAYMENTS

119. Declaration of dividends

Subject to the Acts and the articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests, but no dividend may exceed the amount recommended by the board.

120. Interim dividends

Subject to the Acts, the board may declare and pay such interim dividends (including a dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment a preferential dividend is in arrear. If the board acts in good faith, it does not incur any

liability to the holders of shares conferring preferred rights for a loss they may suffer by the lawful payment of an interim dividend on shares ranking after those with preferred rights.

121. Entitlement to dividends

Except as otherwise provided by the rights attached to shares, a dividend shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid, but no amount paid up on a share in advance of a call may be treated for the purpose of this article as paid up on the share. 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.

122. Method of payment

- (A) The Company may pay a dividend, interest or another amount payable in respect of a share in cash or by cheque, dividend warrant or money order, or by a bank or other funds transfer system, or by such other method as the holder or joint holders of the share in respect of which the payment is made (or the person or persons entitled by transmission to the share) may in writing direct. Any joint holder or other person jointly entitled to a share may give an effective receipt for a dividend, interest or other amount paid in respect of the share.
- (B) The Company may send a cheque, warrant or order by post (i) in the case of a sole holder, to his registered address, or (ii) in the case of joint holders, to the registered address of the person whose name stands first in the register, or (iii) in the case of a person or persons entitled by transmission to a share, as if it were a notice given in accordance with article 138, or (iv) in any case, to a person and address that the person or persons entitled to the payment may in writing direct.
- (C) Every cheque, warrant or order is sent at the risk of the person entitled to the payment and shall be made payable to the order of the person or persons entitled. The payment of the cheque, warrant or order is a good discharge to the Company. If payment is made by a bank or other funds transfer, or by another method at the direction of the holder or holders or other person or persons entitled, the Company is not responsible for amounts lost or delayed in the course of the transfer or in carrying out these directions.
- (D) Without prejudice to article 67, the board may withhold payment of a dividend (or part of a dividend) payable to a person entitled by transmission to a share until he has provided any evidence of his right that the board may reasonably require.

123. Dividends not to bear interest

No dividend or other amount payable by the Company in respect of a share bears interest as against the Company unless otherwise provided by the rights attached to the share.

124. Calls or debts may be deducted from dividends etc.

The board may deduct from a dividend or other amounts payable to a person in respect of a share amounts due from him to the Company on account of a call or otherwise in relation to a share.

125. Unclaimed dividends etc.

All unclaimed dividends, interest or other amounts payable by the Company in respect of a share may be invested or otherwise made use of by the board for the benefit of the Company until claimed. Dividends unclaimed for a period of 12 years after having been declared are forfeited and cease to remain owing by the Company. The payment of an unclaimed dividend, interest or other amount payable by the Company in respect of a share into a separate account does not constitute the Company a trustee in respect of it.

126. Uncashed dividends

If, in respect of a dividend or other amount payable in respect of a share on any one occasion:

- (i) a cheque, warrant or order is returned undelivered or left uncashed, or
- (ii) a transfer made by a bank or other funds transfer system is not accepted,

and reasonable enquiries have failed to establish another address or account of the person entitled to the payment, the Company is not obliged to send or transfer a dividend or other amount payable in respect of that share to the person entitled to it until he notifies the Company of an address or account to be used for that purpose. If the cheque, warrant or order is return undelivered or left uncashed or transfer not accepted on two consecutive occasions, the Company may exercise this power without making any such enquiries.

127. Payment of dividends in specie

Without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of another company. Where a difficulty arises in connection with the distribution, the board may settle it as it thinks fit and in particular may issue fractional certificates (or ignore fractions), may fix the value for distribution of the specific assets (or any part of them), may decide that a cash payment be made to a member on the basis of the value so fixed, in order to secure equality of distribution, and may vest assets in trustees on trust for the persons entitled to the dividend as may seem expedient to the board.

128. Payment of scrip dividends

- (A) Subject to the Acts, but without prejudice to article 67, the board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or another class of

shares, in either case credited as fully paid, ("new shares") instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the board may in its absolute discretion deem necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

- (B) Where a resolution under article 128(A) is to be proposed at a general meeting and the resolution relates in whole or in part to a dividend to be declared at that meeting, then the resolution declaring the dividend is deemed to take effect at the end of that meeting.
- (C) A resolution under article 128(A) may relate to a particular dividend or to all or any dividends declared or paid within a specified period, but that period may not end later than the beginning of the fifth annual general meeting following the date of the meeting at which the resolution is passed.
- (D) The board shall determine the basis of allotment of new shares so that, as nearly as may be considered convenient without involving rounding up of fractions, the value of the new shares (including a fractional entitlement) to be allotted (calculated by reference to the average quotation, or the nominal value of the new shares, if greater) equals (disregarding an associated tax credit) the amount of the dividend which would otherwise have been received by the holder (the "relevant dividend"). For this purpose the "average quotation" of each of the new shares is the average of the middle-market quotations for a fully-paid share of the Company of that class derived from the Daily Official List of the London Stock Exchange on the business day on which the relevant class of shares is first quoted "ex" the relevant dividend (or such other date as the board may deem appropriate to take account of any subsequent issue of shares by the Company) and the four subsequent business days or shall be as determined by or in accordance with the ordinary resolution.
- (E) The board may make any provision it considers appropriate in relation to an allotment made pursuant to this article, including but not limited to:
 - (i) the giving of notice to holders of the right of election offered to them;
 - (ii) the provision of forms of election (whether in respect of a particular dividend or dividends generally);
 - (iii) determination of the procedure for making and revoking elections;
 - (iv) the place at which, and the latest time by which, forms of election and other relevant documents must be lodged in order to be effective; and
 - (v) the disregarding or rounding up or down or carrying forward of fractional entitlements, in whole or in part, or the accrual of the benefit of fractional entitlements to the Company (rather than to the holders concerned).
- (F) The dividend (or that part of the dividend in respect of which a right of election has been offered) is not declared or payable on shares in respect of which an election has been duly made (the "elected shares"); instead new shares are allotted to the holders of the elected

shares on the basis of allotment calculated as in paragraph (D). For that purpose, the board may resolve to capitalise out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, a sum equal to the aggregate nominal amount of the new shares to be allotted and apply it in paying up in full the appropriate number of new shares for allotment and distribution to the holders of the elected shares. A resolution of the board capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to article 129. In relation to the capitalisation the board may exercise all the powers conferred on it by article 129 without an ordinary resolution of the Company.

- (G) The new shares rank *pari passu* in all respects with each other and with the fully-paid shares of the same class in issue on the record date for the dividend in respect of which the right of election has been offered, but they will not rank for a dividend or other distribution or entitlement which has been declared or paid by reference to that record date.

CAPITALISATION OF PROFITS

129. Subject to the Acts, the board may, with the authority of an ordinary resolution of the Company:

- (i) resolve to capitalise an amount standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution;
- (ii) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amount of shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:
 - (a) paying up the amounts (if any) for the time being unpaid on shares held by them respectively, or
 - (b) paying up in full unissued shares or debentures of a nominal amount equal to that sum,

and allot the shares or debentures, credited as fully paid, to the members (or as they may direct) in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve and profits 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;

- (iii) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, where shares or debentures become distributable in fractions, the board may deal with the fractions as it thinks fit, including issuing fractional certificates, disregarding fractions or selling shares or debentures representing the fractions to a person for the best price reasonably obtainable and distributing the net proceeds of the sale in due proportion amongst the members (except that if the amount due to a member is less than £3, or such other

sum as the board may decide, the sum may be retained for the benefit of the Company);

(iv) authorise a person to enter (on behalf of all the members concerned) an agreement with the Company providing for either:

- (a) the allotment to the members respectively, credited as fully paid, of shares or debentures to which they may be entitled on the capitalisation, or
- (b) the payment by the Company on behalf of the members (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing shares,

an agreement made under the authority being effective and binding on all those members; and

(v) generally do all acts and things required to give effect to the resolution.

RECORD DATES

130. Notwithstanding any other provision of the articles, but subject to the Acts and rights attached to shares, the Company or the board may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid.

ACCOUNTS

131. **Inspection of accounts**

- (A) The board shall ensure that accounting records are kept in accordance with the Acts.
- (B) The accounting records shall be kept at the office or, subject to the Acts, at another place decided by the board and shall be available during business hours for the inspection of the directors and other officers. No member (other than a director or other officer) has the right to inspect an accounting record or other document except if a right is conferred by the Acts or he is authorised by the board.

132. **Accounts to be sent to members etc.**

- (A) In respect of each financial year, a copy of the Company's annual accounts, directors' report and auditors' report on those accounts shall be sent by post or delivered to:
 - (i) every member (whether or not entitled to receive notices of general meetings),
 - (ii) every holder of debentures (whether or not entitled to receive notices of general meetings), and
 - (iii) every other person who is entitled to receive notices of general meetings,

not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Acts. This article does not require copies of the documents to which it applies to be sent or delivered to:

- (a) a member or holder of debentures of whose address the Company is unaware, or
 - (b) more than one of the joint holders of shares or debentures.
- (B) Where permitted by the Acts, a summary financial statement derived from the Company's annual accounts and the directors' report in the form and containing the information prescribed by the Acts may be sent or delivered to a person in place of the documents required to be sent or delivered by the article 132(A).

NOTICES

133. Notices to be in writing

A notice to be given to or by a person pursuant to the articles shall be in writing except that a notice convening a meeting of the board or of a committee of the board need not be in writing.

134. Service of notices and other documents on members

- (A) A notice or other document may be given to a member by the Company either personally or by sending it by post in a pre-paid envelope addressed to the member at his registered address, or by leaving it at that address (or at another address notified for the purpose) in an envelope addressed to the member.
- (B) In the case of joint holders of a share, a notice or other document shall be given to whichever of them is named first in the register in respect of the joint holding and notice given in this way is sufficient notice to all joint holders.
- (C) If a member (or, in the case of joint holders, the person first named in the register) has a registered address outside the United Kingdom but has notified the Company of an address in the United Kingdom at which notices or other documents may be given to him, he is entitled to have notices given to him at that address, but otherwise no such member or person is entitled to receive a notice or other document from the Company.

135. Notice by advertisement

If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent by post, the board may, in its absolute discretion and as an alternative to any other method of service permitted by the articles, resolve to convene a general meeting by a notice advertised in at least one leading United Kingdom national daily newspaper. In this case the Company shall send confirmatory copies of the notice by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

136. Evidence of service

- (A) A notice or other document addressed to a member at his registered address or address for service in the United Kingdom is, if sent by post, deemed to be given within 24 hours if pre-paid as first class post and within 48 hours if pre-paid as second class post after it has been posted, and in proving service it is sufficient to prove that the envelope containing the notice or document was properly addressed, pre-paid and posted.
- (B) A notice or document not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- (C) Where notice is given by newspaper advertisements, the notice is deemed to be given to all members and other persons entitled to receive it at noon on the day when the advertisements appear or, if they appear on different days, at noon on the last of the days when the advertisements appear.
- (D) A member present in person or by proxy at a meeting or of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

137. Notice binding on transferees etc.

A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share (other than a notice served by the Company under section 212 of the Act) which, before his name is entered in the register, has been properly served on a person from whom he derives his title.

138. Notice in case of entitlement by transmission

Where a person is entitled by transmission to a share, the Company may give a notice or other document to that person as if he were the holder of a share by addressing it to him by name or by the title of representative of the deceased or trustee of the bankrupt member (or by similar designation) at an address in the United Kingdom supplied for that purpose by the person claiming to be entitled by transmission. Until an address has been supplied, a notice or other document may be given in any manner in which this it might have been given if the death or bankruptcy or other event had not occurred. The giving of notice in accordance with this article is sufficient notice to all other persons interested in the share.

DESTRUCTION OF DOCUMENTS

139.

- (A) The Company may destroy:
 - (i) a share certificate which has been cancelled at any time after one year from the date of cancellation;
 - (ii) a mandate for the payment of dividends or other amounts or a variation or cancellation of a mandate or a notification of change of name or address at any time

after two years from the date the mandate, variation, cancellation or notification was recorded by the Company;

(iii) an instrument of transfer of shares (including a document constituting the renunciation of an allotment of shares) which has been registered at any time after six years from the date of registration; and

(iv) any other document on the basis of which any entry in the register is made at any time after six years from the date an entry in the register was first made in respect of it.

(B) It is presumed conclusively in favour of the Company that every share certificate destroyed was a valid certificate validly cancelled, that every instrument of transfer destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company, but:

(i) the provisions of this article apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document is relevant to a claim;

(ii) nothing contained in this article imposes on the Company liability in respect of the destruction of a document earlier than provided for in this article or in any case where the conditions of this article are not fulfilled; and

(iii) references in this article to the destruction of a document include reference to its disposal in any manner.

WINDING UP

140. On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds. For this purpose the liquidator may set the value he deems fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner.

INDEMNITY

141.

(A) Subject to the Acts, but without prejudice to an indemnity to which he may otherwise be entitled, every officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the execution of his duties or the exercise of his powers, authorities and discretions including (without prejudice to the generality of the foregoing) a liability incurred:

- (a) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
 - (b) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- (B) The board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary undertaking of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or another liability which may lawfully be insured against by the Company.

NAMES AND ADDRESSES OF SUBSCRIBERS



CHRISTINE A LEE
For and on behalf of
Legibus Nominees Limited
200 Aldersgate Street
London EC1A 4JJ



ANGELA ORBAN
For and on behalf of
Legibus Secretaries Limited
200 Aldersgate Street
London EC1A 4JJ

DATED this 19th day of October, 1994.

WITNESS to the above signatures:

DENISE WARD
200 Aldersgate Street
London EC1A 4JJ



FILE COPY



**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

Company No. 2983302

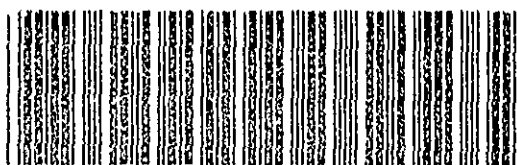
The Registrar of Companies for England and Wales hereby certifies that

AMBERFLAME PLC

having by special resolution changed its name, is now incorporated
under the name of

Tarquin plc

Given at Companies House, London, the 29th November 1994



C0298J3023

L. Mills

MRS L. MILLS
For The Registrar Of Companies



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

Company No. 2983302

291194
Kus



THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

AMBERFLAME PLC

At an extraordinary general meeting of the Company held at 200 Aldersgate Street, London EC1A 4JJ
on 29 November 1994 the following resolution was passed as a special resolution.

SPECIAL RESOLUTION

THAT the name of the Company be changed to Tarquin plc

Amclabe

CHAIRMAN

LEAW03\$4.47



NW 054099
C/N

Company No. 2983302

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

AMBERFLAME PLC

At an extraordinary general meeting of the Company held at 200 Aldersgate Street, London EC1A 4JJ
on ~~20~~ 28 November 1994 the following resolution was passed as a special resolution.

SPECIAL RESOLUTION

THAT the name of the Company be changed to Tarquin plc

Amclabe

CHAIRMAN



AMBERFLAME PLC

WRITTEN RESOLUTIONS OF THE BOARD OF DIRECTORS

*Certified True
Copy*

*Clifford
Chance*

REGISTERED OFFICE

1. **IT IS RESOLVED** that the registered office of the Company be changed to 117 Fenchurch Street, London EC3M 5AL.

AUDITORS

2. **IT IS RESOLVED** that Coopers and Lybrand be appointed auditors of the Company at a remuneration to be agreed.

ACCOUNTING REFERENCE DATE

3. **IT IS RESOLVED** that 31 December in every year be the Company's accounting reference date for the purposes of section 224 of the Companies Act 1985.

BANKERS

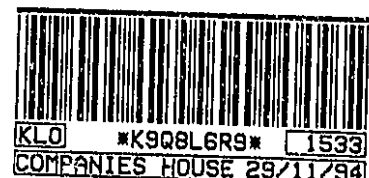
4. **IT IS RESOLVED** that The Chase Manhattan Bank, N.A. London be appointed bankers to the Company and that the Bank's standard resolutions in the form annexed to these minutes and for identification signed by the chairman be passed and that the secretary be instructed to deliver to the Bank a certified copy of the resolution together with a specimen signature form and any other documents required by the Bank.

SUBSCRIBERS' SHARES

5. **IT IS RESOLVED** that each of Legibus Nominees Limited and Legibus Secretaries Limited, being the subscribers of the Company's memorandum, be entered in the register of members as the holder of the share for which it agreed to subscribe and that, on the adoption of the Company's seal becoming effective, share certificates be sealed and issued to the subscribers.

EXTRAORDINARY GENERAL MEETING

6. **IT IS RESOLVED** that an extraordinary general meeting of the Company be convened for the purpose of considering and, if thought fit, passing resolutions to change the name of the Company to Tarquin plc;



7. **IT IS RESOLVED** that:

- (a) the attached notice convening an extraordinary general meeting for these purposes be approved;
- (b) the secretary be directed to issue the notice immediately to the persons entitled to receive it; and
- (c) subject to the necessary consents being obtained, the meeting be held immediately.

COMMON SEAL

8. **IT IS RESOLVED** that, subject to the special resolution to change the name of the Company proposed at the extraordinary general meeting of the Company to be held today being passed, the seal, an impression of which appears in the margin, be adopted as the common seal of the Company with effect from the date of issue by the Registrar of Companies of a certificate of incorporation on change of name pursuant to the resolution to change the name of the Company to be passed at the extraordinary general meeting held today.

TRANSFER OF SUBSCRIBERS' SHARES

9. **IT IS RESOLVED** that, with effect from the end of the extraordinary general meeting to be held today:
- (a) the following transfers of each of the subscribers' shares be approved:

Transferor	Transferee	Share transferred
Legibus Nominees Limited	J Charman	One share of £1
Legibus Secretaries Limited	J Lloyd	One share of £1

- (b) the register of transfers be completed, each of the transferees be entered in the register of members as the holder of the relevant share and, on adoption of the Company's seal becoming effective, share certificates be sealed and issued to the transferees.

REPLACEMENT OF DIRECTORS AND SECRETARY

10. IT IS RESOLVED that, with effect from the end of the extraordinary general meeting of the Company to be held today:

- (a) letters having been received from each of Martin Edgar Richards and Peter John Charlton resigning from the office of director and from Legibus Secretaries Limited resigning from the office of secretary, the resignations of Martin Edgar Richards and Peter John Charlton as directors and Legibus Secretaries Limited as secretary be accepted with effect from the coming into effect of these resolutions and recorded in the books of the Company;
- (b) R. Spass, S. Gruber, J. Charman, J. Lloyd, M. Williamson and P. Warren, having consented in writing to act, be appointed directors of the Company;
- (c) J. Lloyd, having consented in writing to act, be appointed secretary of the Company; and
- (d) these appointments be recorded in the books of the Company.

FILING OF DOCUMENTS

11. IT IS RESOLVED that, subject to the resolutions set out in the notice of meeting being passed at the extraordinary general meeting to be held today, the following documents be filed with the Registrar of Companies:

- (a) notice of change in situation of registered office (form 287);

(b) notice of accounting reference date (form 224);

(c) a copy of the special resolution passed at the extraordinary general meeting held today together with a cheque for £200 being the fee for the proposed change in the name of the Company;

Signed Julia Clarke
Julia Clarke as alternate for M.E. Richards

Date 28/11/94

Signed Peter Brooks
Peter Brooks as alternate for P.J. Charlton

Date 28-11-94

CONSENT TO SHORT NOTICE

Certified
True
copy
Clifford
Chance

To: The Directors
Amberflame Plc

We, the undersigned, being all the members having a right to attend and vote at the extraordinary general meeting of the Company convened by the attached notice and together holding all the shares giving the right to attend and vote at the meeting, agree to the convening of the meeting for the date and for the purposes stated in the notice and to the proposing of the resolution specified in the notice as a special resolution although less than the period of notice required by the Companies Act 1985 and the articles of association of the Company has been given.

Date 28/11/04

Signed McClanahan
for and on behalf of
Legibus Nominees Limited

Signed Am Brown
for and on behalf of
Legibus Secretaries Limited

AMBERFLAME PLC

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Company will be held at 200 Aldersgate Street, London EC1A 4JJ on 28 November 1994 at 10.45 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

SPECIAL RESOLUTION

1. THAT the name of the Company be changed to Tarquin ^{True} plc.

BY ORDER OF THE BOARD

M. Clarke

SECRETARY/DIRECTOR

Date: [28/11/94]

Registered office:

200 Aldersgate Street
London EC1A 4JJ

NOTE

A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. The proxy need not be a member of the Company.

*Certified
True
Copy
Clifford Chance*

AMBERFLAME PLC

MINUTES OF AN EXTRAORDINARY GENERAL MEETING
HELD AT 200 ALDERSGATE STREET, LONDON, EC1A 4JJ
ON ~~20~~ 28 NOVEMBER 1994

*Certified
True
Copy
Clifford
Chance.*

PRESENT: Julia Clarke for Legibus Nominees Limited
Peter Brooks for Legibus Secretaries Limited

IN ATTENDANCE:

1. Julia Clarke was appointed chairman of the meeting.
2. The chairman announced that consent to the meeting being held at short notice had been given by the requisite majority of members entitled to attend and vote at the meeting and that a quorum was present.
3. It was unanimously agreed that the notice convening the meeting be taken as read.
4. The chairman proposed the special resolution set out in the notice. The resolution was put to the meeting and carried unanimously on a show of hands.
5. There being no other business, the chairman declared the meeting closed.



CHAIRMAN

G

COMPANIES FORM No. 224

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

224

Please do not
write in
this margin

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

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

To the Registrar of Companies
(Address overleaf)

Company number

2983302

Name of company

* Amberflame Plc

* insert full name
of company

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

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

Day Month

3 1 1 2

5 April
Day Month

0 5 0 4

30 June
Day Month

3 0 0 6

31 December
Day Month

3 1 1 2

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

Signed

houl

Designation†

SECRETARY

Date

6.12.94

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

Clifford Chance
200 Aldersgate Street
London EC1A 4JJ

Ref: LEAW/0962/10

For official use
D.E.B.

Post room



KLO *KA85L743* 1653
COMPANIES HOUSE 12/12/94

FILE COPY



**CERTIFICATE THAT A PUBLIC COMPANY
IS ENTITLED TO DO BUSINESS AND BORROW**

Company No. 2983302

I hereby certify that the provisions of section 117(1) of the Companies Act 1985 have been complied with in relation to

TARQUIN PLC

and that the company is entitled to do business and borrow.

Given at Companies House, Cardiff, the 20th December 1994

H A Jelliman

H A JELTIMAN

For The Registrar Of Companies



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

**Application by a public company for
certificate to commence business and
statutory declaration in support**Please do not
write in
this margin

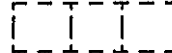
Pursuant to section 117 of the Companies Act 1985

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

To the Registrar of Companies

For official use

Company number



2983302

Name of company

* TARQUIN plc

* insert full name
of company

applies for a certificate that it is entitled to do business and exercise borrowing powers.

For that purpose I, JEFFREY JOHN LLOYDof JUMMAR, UPPER HOWE STREET, FINCHINGFIELD, ESSEX† delete as
appropriate

[the secretary][a director]† of the above company,

do solemnly and sincerely declare that;

- 1 the nominal value of the company's allotted share capital is not less than the authorised minimum
- 2 the amount paid up on the allotted share capital of the company at the time of this application is
- 3 the [estimated]† amount of the preliminary expenses of the company is

US \$59,122,332
£50,000

£ 1,000

and ~~[has been paid]~~ [is payable]† by§ insert name of
person(s) by whom
expenses paid
or payable

§ TARQUIN PLC

Presenter's name address and
reference (if any):
Clifford Chance
200 Aldersgate Street
London
EC1A 4JJ

Ref: LEAW/I0962/10

For official Use

General Section

Post room

ED1 *E2VC87CE* 139
COMPANIES HOUSE 20/12/94

- [4a. ~~no amount or benefit has been paid or given or is intended to be paid or given to any of the promoters of the company~~][†]
- [4b. ~~the amount or benefit paid or given or intended to be paid or given to any promoter of the company is~~][†]

Please do not write in this margin

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

Promoter No.1;

The amount paid or intended to be paid to him £ _____

Any benefit given or intended to be given to him _____

The consideration for such payment or benefit _____

[†] delete as appropriate

Promoter No.2;

The amount paid or intended to be paid to him £ _____

Any benefit given or intended to be given to him _____

The consideration for such payment or benefit _____

Promoter No.3;

The amount paid or intended to be paid to him £ _____

Any benefit given or intended to be given to him _____

The consideration for such payment or benefit _____

Promoter No.4;

The amount paid or intended to be paid to him £ _____

Any benefit given or intended to be given to him _____

The consideration for such payment or benefit _____

Note
Please continue on a separate sheet if necessary

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

Declared at PLANTATION HOUSE
CITY OF LONDON

Declarant to sign below

the 20th day of DECEMBER
one thousand nine hundred and NINETY FOUR
before me C. J. Dunn

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

[Signature]

G

COMPANIES FORM No. 123

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

Pursuant to section 123 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf)

For official use

Company number

--	--	--	--

2983302

Name of company

* TARQUIN PLC

* Insert full name
of company

gives notice in accordance with section 123 of the above Act that by resolution of the company
dated 30 November 1994 the nominal capital of the company has been
increased by \$8,173,738 beyond the registered capital of £ 50,000.

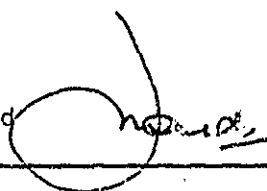
5 the copy must be
printed or in some
other form approved
by the registrar

A copy of the resolution authorising the increase is attached.5

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

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

Signed

Designation SECRETARYDate 30.11.94Presentor's name address and
reference (if any):

Clifford Chance
200 Aldersgate Street
London EC1A 4JJ

Ref: LEAW/0962/10

For official Use
General Section

Post room



THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ORDINARY RESOLUTION

of

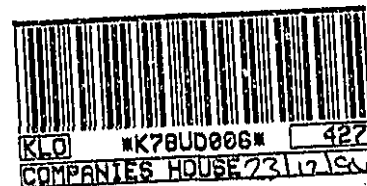
Tarquin plc

At an extraordinary general meeting of the Company held at 117 Fenchurch Street, London, EC3M 5AL on ²⁰16 December 1994 the following resolution was passed as an ordinary resolution:

ORDINARY RESOLUTION

1. THAT 572,162 unissued shares of US\$1 in the share capital of the Company be subdivided into shares of US\$0.01 each pursuant to section 121(2)(d) Companies Act 1985 amounting to a total of 57,216,200 unissued shares of US\$0.01 each.
2. THAT 56,644,038 of the unissued shares of US\$0.01 each in the share capital of the Company be cancelled pursuant to section 121(2)(e) of the Companies Act 1985 so that the total authorised share capital of the Company stands at US\$7,607,297.62 as set out in the Company's Articles of Association.


CHAIRMAN



THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ORDINARY AND SPECIAL RESOLUTIONS

of

Tarquin plc

At an extraordinary general meeting of the Company held at 200 Aldersgate Street, London, EC1A 4JJ on 30 November 1994 the following resolutions were passed as, in the case of resolution 1 and 2, as ordinary resolutions, and in the case of resolution 3, 4 and 5, as special resolutions:

ORDINARY RESOLUTIONS

1. THAT the authorised share capital of the Company be increased from £50,000 to £50,000 plus US\$8,173,738 by the creation of 8,173,738 shares of US\$1 each.
2. THAT in substitution for all existing authorities the directors be generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £50,000 plus US\$8,173,738 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) five years after the date of the passing of this resolution, but the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot relevant securities in pursuance of that offer or agreement.

SPECIAL RESOLUTIONS

3. That the 50,000 £1 shares of the Company will convert into deferred shares having the rights attached to them as set out in the new articles of association adopted pursuant to resolution
- 4.



4. THAT new articles of association in the form of the annexed draft, initialled by the chairman for the purpose of identification, be adopted in substitution for the existing articles of association of the Company.
5. THAT, subject to the passing of resolution 2, the directors be generally empowered, pursuant to section 95 of the Companies Act 1985 (the "Act"), to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by resolution 2 as if section 89(1) of the Act did not apply to the allotment. This power expires when the authority conferred by resolution 2 is revoked or would, if not renewed, expire, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuant to that offer or agreement.

BY ORDER OF THE BOARD

SECRETARY/DIRECTOR

Dated:

Registered office:

117 Fenchurch Street
London EC3M 5AL

NOTES

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power of authority) must be deposited at 117 Fenchurch Street, London EC3M 5AL not later than 48 hours before the time fixed for the meeting.

CHAIRMAN

THE COMPANIES ACTS 1985 and 1989

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

- of -

Tarquin plc

(as altered by special resolution passed on 28 November 1994)

1. The Company's name is "Tarquin plc"
2. The Company is to be a public company.
3. The Company's registered office is to be situated in England and Wales.
4. The Company's objects are:
 - (A)
 - (i) To carry on business as manufacturers, builders and suppliers of and dealers in goods of all kinds, and as mechanical, general, electrical, marine, radio, electronic, aeronautical, chemical, petroleum, gas, civil and constructional engineers, and manufactures, importers and exporters of, dealers in machinery, plant and equipment of all descriptions and component parts thereof, forgings, castings, tools, implements, apparatus and all other articles and things.
 - (ii) To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or guaranteed by a body corporate constituted or carrying on business in any part of the world or by an government sovereign ruler, commissioners, public body or authority and to hold the same as investments, and to sell, exchange, carry and dispose of the same.
 - (iii) To carry on the businesses in any part of the world as importers, exporters, buyers, sellers, distributors and dealers and to win, process and work produce of all kinds.
 - (B) To carry on the following businesses, namely, contractors, garage proprietors, filling station proprietors, owners and charterers of road vehicles, aircraft and ships and boats of every description, lightermen and carriers of goods and passengers by road, rail, water or air, forwarding, transport and commission agents, customs agents, stevedores, wharfingers, cargo

superintendents, packers, warehouse storekeepers, cold store keepers, hotel proprietors, caterers, publicans, consultants, advisers, financiers, bankers, advertising agents, insurance brokers, travel agents, ticket agents and agency business of all kinds and generally to provide entertainment for and render services of all kinds to others and to carry on any other trade or business which can in the opinion of the directors be advantageously carried on by the Company in connection with or ancillary to any of the businesses of the Company.

- (C) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified in clause 4, or which may be required by persons having, or about to have, dealings with the Company.
- (D) To build, construct, maintain, alter, enlarge, pull down, remove and replace any buildings, shops, factories, offices, works, machinery and engines, and to work, manage and control these things.
- (E) To enter into contracts, agreements and arrangements with any person for the carrying out by that person on behalf of the Company of any object for which the Company is formed.
- (F) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person carrying on any business which may in the opinion of the directors be capable of being conveniently carried on, or calculated directly or indirectly to enhance the value of or make profitable any of the Company's property or rights, or any property suitable for the purposes of the Company.
- (G) To enter into any arrangement with a government or authority, whether national, international, supreme, municipal, local or otherwise, that may in the opinion of the directors be conducive to any object of the Company, and to obtain from that government or authority any right, privilege or concession which in the opinion of the directors is desirable, and to carry out, exercise and comply with that arrangement, right, privilege or concession.
- (H) To apply for, purchase and by other means acquire, protect, prolong and renew any patent, patent right, brevet d'invention, licence, secret process, invention, trade mark, service mark, copyright, registered design, protection, concession and right of the same or similar effect or nature, and to use, turn to account, manufacture under and grant licences and privileges in respect of those things, and to spend money in experimenting with, testing, researching, improving and seeking to improve any of those things.
- (I) To acquire an interest in, amalgamate with and enter into partnership or any arrangement for the sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person, or with any employees of the Company. To lend money to, guarantee the contracts of, and otherwise assist that person or those employees, and to take and otherwise acquire an interest in that person's shares or other securities and to sell, hold, re-issue, with or without guarantee, and otherwise deal with those shares or other securities.

- (J) To lend money to, subsidise and assist any person, to act as agents for the collection, receipt and payment of money and generally to act as agents and brokers for and perform services for any person, and to undertake and perform sub-contracts.
- (K) To enter into any guarantee or contract of indemnity or suretyship, and to provide security, including, without limitation, the guarantee and provision of security for the performance of the obligations of or the payment of any money (including, without limitation, capital, principal, premiums, dividends, interest, commissions, charges, discount and any related costs or expenses whether on shares or other securities) by any person including, without limitation, any body corporate which is for the time being the Company's holding company, the Company's subsidiary, a subsidiary of the Company's holding company or any person which is for the time being a member or otherwise has an interest in the Company or is associated with the Company in any business or venture, with or without the Company receiving any consideration or advantage (whether direct or indirect), and whether by personal covenant or mortgage, charge or lien over all or part of the Company's undertaking, property, assets or uncalled capital (present and future) or by other means. For the purposes of paragraph (K) "guarantee" includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for shares or other securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person.
- (L) To promote, finance and assist any person for the purpose of acquiring all or any of the property, rights and undertaking or assuming the liabilities of the Company, or for any other purpose which may in the opinion of the directors directly or indirectly benefit the Company, and in that connection to place, guarantee the placing of, underwrite, subscribe for and otherwise acquire all or any part of the shares or other securities of a body corporate.
- (M) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of and raising money for the Company and the issue of its shares or other securities, including, without limitation, those incurred in connection with the advertising and offering of its shares or other securities for sale or subscription, brokerage and commissions for obtaining applications for and taking, placing, underwriting or procuring the underwriting of its shares or other securities.
- (N) To remunerate any person for services rendered or to be rendered to the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- (O) To purchase, take on lease, exchange, hire and otherwise acquire any real or personal property and any right or privilege over or in respect of it.
- (P) To receive money on deposit on any terms the directors think fit.
- (Q) To invest and deal with the Company's money and funds in any way the directors think fit.
- (R) To lend money and give credit with or without security.

- (S) To borrow, raise and secure the payment of money in any way the directors think fit, including, without limitation, by the issue of debentures and other securities, perpetual or otherwise, charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem and pay off those securities.
- (T) To remunerate any person for services rendered or to be rendered in placing, assisting and guaranteeing the placing and procuring the underwriting of any share or other security of the Company or of any person in which the Company may be interested or proposes to be interested, or in connection with the conduct of the business of the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part.
- (U) To subscribe for, acquire and hold (in each case absolutely or conditionally) shares, debentures and other securities of any person and to co-ordinate, finance and manage the business and operation of any person in which the Company has an interest.
- (V) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (W) To sell, lease, exchange, let on hire and dispose of any real or personal property and the whole or part of the undertaking of the Company, for such consideration as the directors think fit, including, without limitation, for shares, debentures or other securities, whether fully or partly paid up, of any person, whether or not having objects (altogether or in part) similar to those of the Company. To hold any shares, debentures and other securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over, turn to account or otherwise deal with all or any part of the property or rights of the Company.
- (X) To adopt any means of publicising and making known the businesses, services and products of the Company as the directors think fit, including, without limitation, advertisement, publication and distribution of notices, circulars, books and periodicals, purchase and exhibition of works of art and interest and granting and making of prizes, rewards and donations.
- (Y) To support, subscribe to and contribute to any charitable or public object and any institution, society and club which may be for the benefit of the Company or persons who are or were directors, officers or employees of the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company, or which may be connected with any town or place where the Company carries on business. To subsidise and assist any association of employers or employees and any trade association. To grant pensions, gratuities, annuities and charitable aid and to provide advantages, facilities and services to any person (including any director or former director) who may have been employed by or provided services to the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company and to the spouses, children, dependants and relatives of those persons and to make advance provision for the payment of those pensions, gratuities and annuities by establishing or acceding to any trust, scheme or arrangement (whether or not capable of approval by the Commissioners of Inland

Revenue under any relevant legislation) the directors think fit, to appoint trustees and to act as trustee of any trust, scheme or arrangement, and to make payments towards insurance for the benefit of those persons and their spouses, children, dependants and relatives.

- (Z) To establish and contribute to any scheme for the purchase or subscription by trustees of shares or other securities of the Company to be held for the benefit of the employees of the Company, any subsidiary of the Company or any person allied to or associated with the Company, to lend money to those employees or to trustees on their behalf to enable them to purchase or subscribe for shares or other securities of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees.
- (AA) To apply for, promote and obtain any Act of Parliament and any order or licence of any government department or authority (including, without limitation, the Department of Trade and Industry) to enable the Company to carry any of its objects into effect, to effect any modification of the Company's constitution and for any other purpose which the directors think fit, and to oppose any proceeding or application which may in the opinion of the directors directly or indirectly prejudice the Company's interests.
- (BB) To establish, grant and take up agencies, and to do all other things the directors may deem conducive to the carrying on of the Company's business as principal or agent, and to remunerate any person in connection with the establishment or granting of an agency on the terms and conditions the directors think fit.
- (CC) To distribute among the shareholders in specie any of the Company's property and any proceeds of sale or disposal of any of the Company's property and for that purpose to distinguish and separate capital from profits, but no distribution amounting to a reduction of capital may be made without any sanction required by law.
- (DD) To purchase and maintain insurance for the benefit of any person who is or was an officer or employee of the Company, a subsidiary of the Company or a company in which the Company has or had an interest (whether direct or indirect) or who is or was trustee of any retirement benefits scheme or any other trust in which any officer or employee or former officer or employee is or has been interested, indemnifying that person against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.
- (EE) To amalgamate with any other person and to procure the Company to be registered or recognised in any part of the world.
- (FF) To do all or any of the things provided in any paragraph of clause 4:
 - (i) in any part of the world,
 - (ii) as principal, agent, contractor, trustee or otherwise;
 - (iii) by or through trustees, agents, subcontractors or otherwise; and
 - (iv) alone or with another person or persons.

(GG) To do all things that are in the opinion of the directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.

(HH) The objects specified in each paragraph of clause 4 shall, except where otherwise provided in that paragraph, be regarded as independent objects, and are not limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of clause 4 or the objects or powers specified or conferred in or by them is deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph. The Company has as full a power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company.

(II) In clause 4, a reference to:

- (i) a "person" includes a reference to a body corporate, association or partnership whether domiciled in the United Kingdom or elsewhere and whether incorporated or unincorporated;
- (ii) the "Act" is, unless the context otherwise requires, a reference to the Companies Act 1985, as modified or re-enacted or both from time to time; and
- (iii) a "subsidiary" or "holding company" is to be construed in accordance with section 736 of the Act.

5. The liability of the members is limited.

6. The Company's share capital is £50,000 divided into 50,000 Sterling Deferred Shares, plus US\$7,607,297.62 divided into 2,658,000 A Ordinary Shares of US\$1 each, 572,162 "A" Ordinary Shares of US\$0.01 each, 712,788 "B" Ordinary Shares and 4,229,988 "C" Ordinary Shares.

Company No. 2983302

THE COMPANIES ACTS 1985 AND 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TARQUIN PUBLIC LIMITED COMPANY

Incorporated 20 October 1994

Adopted by special resolution passed on 30 November 1994

CLIFFORD CHANCE

200 Aldersgate Street
London EC1A 4JJ

THE COMPANIES ACTS 1985 AND 1989

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TARQUIN PUBLIC LIMITED COMPANY
(as altered by Special Resolution on 28 November 1994)

Incorporated 20 October 1994

Adopted by special resolution passed on ~~30~~ November, 1994

PRELIMINARY

1. (a) In these articles:

"Act" means the Companies Act 1985 including any statutory modification or re-enactment of that Act for the time being in force;

"A Director" means any person appointed as a director of the Company who has been designated a director by the "A" Ordinary Shareholders pursuant to Article 97;

"A Ordinary Share" means an "A" Ordinary Share of US\$1 in the capital of the Company (or, in the case of "A" Ordinary Shares issued pursuant to clause 5 of the Shareholders Agreement an "A" Ordinary Share of US\$0.01 in the capital of the company) and "A" Ordinary Shareholder means a holder of such "A" Ordinary Shares;

"articles" means the articles of the Company;

"B Director" means any person appointed as a director of the Company who has been designated a director by the "B" Ordinary Shareholders pursuant to Article 97;

"B" Ordinary Share" means a "B" Ordinary Share of US\$1 in the capital of the Company and "B" Ordinary Shareholder means a holder of such "B" Ordinary Shares;

"CGL" means Charman Group Limited, a company incorporated in England and Wales with company number 2028057, whose registered office is at 117 Fenchurch Street, London EC3M 5AL;

"CGL Group" means CGL and its subsidiary undertakings from time to time and "member of the CGL Group" shall be construed accordingly;

"CGL Shares" means the ordinary shares of 10p each in the capital of CGL;

"clear days" in relation to the period of 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;

"controller" means

- (i) a person who either alone or with any connected person or persons is entitled to exercise, or to control the exercise of, 30 per cent or more of the voting power at any general meeting of the Company or of another body corporate which controls the Company; or
- (ii) a person in accordance with whose directions or instructions, either alone or with those of any connected person or persons, the directors of the Company are accustomed to act and for the purpose hereof "connected person" shall be construed in accordance with Lloyd's Membership Byelaw (No. 17 of 1993).

"CUAL" means Charman Underwriting Agencies Limited, a company incorporated in England and Wales (registered number 2287773), whose registered office is at 117 Fenchurch Street, London EC3M 5AL;

"C" Director" means any person appointed as a director of the Company who has been designated a director by the "C" Ordinary Shareholders pursuant to Article 97;

"C" Ordinary Share" means a "C" Ordinary Share of US\$1 in the capital of the Company and "C" Ordinary Shareholder means a holder of such "C" Ordinary Shares;

"Deferred Shares" means the deferred non-voting shares of US\$1 each in the capital of the Company;

"executed" means any mode of execution;

"Employee Trust" means the Charman Underwriting Agencies Limited Employee Share Ownership Trust established by Charman Underwriting Agencies Limited and any other employee share ownership trust established by the Company or any member of the Group or of the CGL Group subsisting from time to time for the benefit of any persons who are or were at any time in the employment of the Company or of any member of the Group or of the CGL Group and certain specified relations of such persons to enable the same to participate in the ownership of shares in the Company or CGL;

"Exit Event" means any of the following:

- (i) an IPO;
- (ii) the sale of more than 50 per cent of the Ordinary Shares then in issue in a single or series of related transactions to a third party or third parties who are not connected persons with any of the Ordinary Shareholders at the date of the proposed sale and for the purpose hereof "connected person" shall have the meaning given to that expression in section 839 Income and Corporation Taxes Act 1988; or
- (iii) December 31, 1999;

"Group" means the Company and its subsidiary undertakings from time to time and "member of the Group" is to be construed accordingly;

"holder" means, in relation to any share, the member whose name is entered in the register of members as the holder of the share;

"Institutional "A" Ordinary Shares" is defined in Article 40(c);

"IP Bermuda" means Insurance Partners Offshore (Bermuda), L.P.;

"IP Charman" means Insurance Partners Charman (Bermuda), L.P.;

"IPO" means an initial public offering of Ordinary Shares (or of the shares of a holding company of the Company) or the initial listing of such shares or the initial establishment of a dealing facility in respect of them on a recognised stock exchange or regular market such as The Nasdaq National Market;

"Independent Director" means such individual appointed as a director of the Company to be agreed upon from time to time by all the other directors (subject always to Article 97(e)) and in default of agreement shall be decided upon by a simple majority of votes of the directors (subject always to Article 97(e));

"Listing" means the admission of any of the Company's ordinary shares to the Official List of the London Stock Exchange;

"Lloyd's" means the Society and Corporation of Lloyd's of London incorporated by the Lloyd's Act 1871;

"major shareholder" means a person who, either alone or with any connected person or persons is entitled to exercise, or control the exercise of, 15 per cent or more of the voting power of the Company and for the purpose hereof "connected person" shall be construed in accordance with Lloyd's Membership Byelaw (No. 17 of 1993).

"office" means the registered office of the Company;

"Ordinary Shares" means all the "A" Ordinary Shares, "B" Ordinary Shares and "C" Ordinary Shares in issue at any one time;

"Ordinary Shareholders" means the holders of Ordinary Shares;

"Phemus" means Phemus Corporation;

"Purchase Agreement" means the agreement dated 30 November 1994 whereby the Company agrees to acquire shares in CGL on the terms set out therein;

"Put" means the right granted by the Company pursuant to clause 5.3 of the Purchase Agreement;

"registration rights" means the rights attached to the Ordinary Shares as set out in schedule 6 of the Shareholders Agreement;

"Rule 144" means Rule 144 of the Securities Act;

"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;

"Securities Act" means the Securities Act of 1933 of the United States of America as amended;

"Shareholders Agreement" means the agreement between the Company, the "A" Ordinary Shareholders set out therein, Insurance Partners Offshore (Bermuda), LP, Insurance Partners Charman (Bermuda), LP, Phemus, the shareholders of CGL and CGL relating to, inter alia, the subscription for shares in the capital of the Company;

"United Kingdom" means Great Britain and Northern Ireland.

- (a) Unless the context otherwise requires, words or expressions contained in the articles bear the same meaning as in the Act, but excluding any statutory modification of the Act not in force when these articles become binding on the Company.
- (b) Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- (c) A reference in these Articles to the "date of adoption" of these Articles is a reference to the date on which the adoption of these Articles takes effect notwithstanding the date on which the special resolution to adopt these Articles is passed.
2. No regulations contained in any statute or subordinate legislation, including but not limited to the regulations contained in Table A in the schedule to the Companies (Table A to F) Regulations 1985 (as amended), apply as the regulations or articles of association of the Company.

SHARE CAPITAL

3. (a) The authorised share capital of the Company at the date of adoption of these articles is £50,000 and US\$7,607,297.62 divided into 50,000 Sterling Deferred Shares, 2,658,800 "A" Ordinary Shares of US\$1 each, 572,162 "A" Ordinary Shares of US\$0.01 each, 712,788 "B" Ordinary Shares and 4,229,988 "C" Ordinary Shares.
- (b) The provisions of section 125 of the Act shall apply to any variation of the rights attached to any class of shares in the Company.
- (c) Without prejudice to Article 3(b), any modification to these Articles that could materially adversely affect the holders of either "B" Ordinary Shares as a class and/or "C" Ordinary Shares as a class (whether or not such modification would constitute a variation of the rights attaching to the class of Shares affected) shall be effective only with the consent in writing of the holders of not less than 75 per cent. of each such class of Shares so affected or by an extraordinary resolution passed at a separate class meeting of the holders of each such affected class.
4. (a) Subject to the provisions of the Act, the directors have general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued shares (whether forming part of the original or any increased share capital) to such persons, at such times and on such terms and conditions as the directors may decide but no share may be issued at a discount.

- (b) The directors have general and unconditional authority, pursuant to section 80 of the Act, to exercise all powers of the Company to allot relevant securities for a period expiring on the fifth anniversary of the date of adoption of this article.
 - (c) The maximum amount of relevant securities which may be allotted pursuant to the authority conferred by paragraph (b) is the amount of the authorised but unissued share capital of the Company at the date of adoption of this article.
 - (d) By the authority conferred by paragraph (b), the directors may before the authority expires make an offer or agreement which would or might require relevant securities to be allotted after it expires and may allot relevant securities in pursuance of that offer or agreement.
5. The pre-emption provisions of section 89(1) of the Act and the provisions of sub-sections (1) to (6) inclusive of section 90 of the Act will apply to an allotment of the Company's equity securities with the exception of:
- (a) any further "A" Ordinary Shares which are issued pursuant to the authority contained in Article 4(b) as consideration for the Company's acquisition of shares in CGL pursuant to the terms of the Purchase Agreement;
 - (b) any further "A" Ordinary Shares which are issued pursuant to the authority contained in Article 4(b) to the "A" Ordinary Shareholders pursuant to clause 5 of the Shareholders Agreement; and
 - (c) any further "C" Ordinary Shares which are issued pursuant to the authority contained in Article 4(b) to the "C" Ordinary Shareholders pursuant to clause 3.2 of the Shareholders Agreement and any other "B" Ordinary Shares and/or "C" Ordinary Shares which are issued to the holders of "B" and/or "C" Ordinary Shares for the purpose of financing the acquisition of CGL Shares by the Company as contemplated by clause 3.3 of the Shareholders Agreement and whether pursuant to the authority contained in Article 4(b) or any other authority which is from time to time in effect.
6. For the purpose of Article 5, where relevant securities are to be offered on a pro rata basis, in calculating the pro rata entitlement of any "A" Ordinary Shareholders to be offered relevant securities, it shall be assumed that the number of "A" Ordinary Shares held by him at the relevant date is the number of shares then held by him plus the maximum number that may fall to be issued to him following the date as of which such determination of entitlement is made pursuant to clause 5.5 of the Purchase Agreement (and no account shall be taken of "A" Ordinary Shares which may be issued pursuant to clause 5 of the Shareholders Agreement).
7. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

8. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the articles.
9. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly-paid shares or partly in one way and partly in the other.
10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety of that share in the holder.

SHARE CERTIFICATES

11. 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 for a share to one joint holder shall be a sufficient delivery to all of them.
12. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

LIEN

13. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.
14. 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 fourteen 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, demanding payment and stating that if the notice is not complied with the shares may be sold.

15. 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 or invalidity in the proceedings in reference to the sale.
16. 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

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 premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect which of 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 of the share.
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 when due all the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
22. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
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 fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. 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, 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.
25. Subject to the provisions of the Act, a forfeited share 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 a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited 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 shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture 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, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
27. A statutory declaration by a director or the secretary that a share has been forfeited 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 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 or disposal of the share.

TRANSFER OF ORDINARY 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. Without prejudice to the restrictions on transfer in Articles 34 to 46 inclusive the directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share to any person, which is not a fully-paid share or which is a share on which the Company has a lien.
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 any class of shares may be suspended at such times and for such periods (not exceeding 30 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.
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.

PROVISIONS APPLYING ON EVERY TRANSFER OF ORDINARY SHARES

34. An Ordinary Shareholder is not entitled to transfer any Ordinary Shares or any interest therein unless the transfer is permitted by Article 36 or 38 or has been made in accordance with Article 37, 39, 41, 42 or 43 or is required by clause 8 of the Purchase Agreement.
35. (a) The directors may not register a transfer of Ordinary Shares unless:
- (i) such transfer is permitted by Article 36 or 38 or has been made in accordance with Articles 37, 39, 41, 42 or 43 or is required by clause 8 of the Purchase Agreement; and
 - (ii) the proposed transferee has entered into an agreement to be bound by the Shareholders Agreement in the form required by that agreement.
- (b) For the avoidance of doubt, the provisions of Article 38 and 39(a) to (e) apply to the Institutional "A" Ordinary Shares and the provision of Articles 36 and 37 do not apply to those shares and in each of those Articles and in Article 39(f) all references to "B" and "C" Ordinary Shares shall be deemed to include a reference to "Institutional "A" Ordinary Shares and all references to "A" Ordinary Shares shall be deemed to exclude any Institutional "A" Ordinary Shares.

TRANSFER RESTRICTIONS FOR "A" ORDINARY SHAREHOLDERS

36. No "A" Ordinary Share may be transferred other than:
- (a) to the spouse and/or lineal descendants (including stepchildren or grandchildren) of the "A" Ordinary Shareholder and/or to the trustees of a trust of which the beneficiaries include the "A" Ordinary Shareholder who established the trust and who is transferring the relevant shares and/or his spouse and/or his lineal descendants (including stepchildren or grandchildren) and/or to the trustees of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the "A" Ordinary Shareholder who established the trust and who is

transferring the relevant shares and/or his spouse and/or his lineal descendants (including stepchildren or grandchildren); and the trustees of such a trust may not transfer shares under this Article 36(a) other than to persons to whom the "A" Ordinary Shareholder establishing the trust might transfer the shares under this Article 36(a) or to replacement trustees of the same trust; or

(b) when required by Article 37 or by and in accordance with Clause 8 of the Purchase Agreement; or

(c) in accordance with the provisions set out in Articles 41, 42 and 43; or

(d) (i) on or after an IPO, to any other "A" Ordinary Shareholders who held "A" Ordinary Shares at the date of the IPO; and

(ii) pursuant to the exercise of registration rights or Rule 144 at least six months after an IPO in the United States of America or on or after a Listing but in any such case provided that the aggregate number of "A" Ordinary Shares transferred under this paragraph (ii) at any time must not exceed:

- 0.15 per cent of the aggregate number of "A" Ordinary Shares held by "A" Ordinary Shareholders on the date of the IPO for every transfer in aggregate of 0.5 per cent of the total investment (as defined below) of the "B" Ordinary Shareholders and "C" Ordinary Shareholders until the "B" Ordinary Shareholders and "C" Ordinary Shareholders have transferred fifty percent (50%) of their total investment;

- where the "B" Ordinary Shareholders and "C" Ordinary Shareholders have transferred an amount greater than fifty percent (50%) but not exceeding ninety five percent (95%) of their total investment, 0.25 per cent of the aggregate number of their "A" Ordinary Shares held at the date of the IPO for every transfer in aggregate of 0.5 per cent of the total investment of the "B" and "C" Ordinary Shareholders;

- where the "B" Ordinary Shareholders and "C" Ordinary Shareholders have transferred in excess of ninety five percent (95%) of their total investment, then there shall be no limit in the number of "A" Ordinary Shares which may be transferred under this Article;

(iii) for the purposes of Article 36(d)(ii) "total investment" means the total number of "B" Ordinary Shares and "C" Ordinary Shares held by the "B" Ordinary Shareholders and "C" Ordinary Shareholders respectively at the date of the IPO (including for this purpose any

Ordinary Shares allotted to them in connection with or in contemplation of the IPO);

- (iv) the rights of the "A" Ordinary Shareholders to transfer shares pursuant to paragraph (d)(ii) above shall be apportioned between the "A" Ordinary Shareholders pro rata to the number of "A" Ordinary Shares held by each "A" Ordinary Shareholder immediately prior to the IPO PROVIDED THAT if any "A" Ordinary Shareholder elects not to exercise his right in full (a "Retaining Shareholder") such other "A" Ordinary Shareholders as may be nominated by the Shareholders' Representative (as such term is defined in the Purchase Agreement) shall be entitled to transfer such number of shares pursuant to paragraph (d)(ii) of this Article as the Retaining Shareholder would have been entitled to transfer hereunder and has elected not to transfer.
- (e) after 31 December 1999, but subject to the provisions of Article 39(f);
- (f) with the prior written consent of the holders of 95 per cent of the Ordinary Shares.

37.

COMPULSORY TRANSFER

- (a) Subject in any instance to the discretion of the directors to resolve to the contrary (or to resolve that this Article 37 shall only apply to a proportion of the shares held by a Compulsory Seller), this Article 37 applies where:
 - (i) an employee, director or consultant of the Group or of the CGL Group is or was an "A" Ordinary Shareholder and/or has established a trust or is a beneficiary (or whose family members are beneficiaries) under a trust which holds "A" Ordinary Shares or in favour of whom (or whose family members) the trustees of a trust which holds "A" Ordinary Shares have power to exercise a benefit and ceases for any reason to be an employee, consultant or director of any member of the Group or of the CGL Group (other than Charman Trustees Limited); or
 - (ii) an "A" Ordinary Shareholder becomes bankrupt, or a receiver is appointed having the power of sale over the property of such "A" Ordinary Shareholder, (or, being a corporate member, goes into liquidation or suffers the appointment of an administrator or an administrative receiver); or
 - (iii) there is a change of control of an "A" Ordinary Shareholder who is a corporate member (the expression "control" will be construed in accordance with the provisions of section 840 Income and Corporation Taxes Act 1988 or any statutory modification or re-enactment thereof).

- (b) In the circumstances described at 37(a) above, such past or present "A" Ordinary Shareholder of the Company if still an "A" Ordinary Shareholder, each trustee of any trust referred to in 37(a)(i), all "A" Ordinary Shareholders who have acquired "A" Ordinary Shares in the Company from such past or present "A" Ordinary Shareholder directly or indirectly pursuant to a transfer or transfers of such "A" Ordinary Shares under Article 36(a) and such trustee in bankruptcy, liquidator, receiver, administrative receiver or administrator shall be deemed to have given written notice (hereinafter referred to as a "Transfer Notice") of his intention to transfer all (or, at the directors' discretion, a proportion only) of the "A" Ordinary Shares in the Company held by him (hereinafter such person described as the "Compulsory Seller") on the day on which the events set out at Article 37(a)(i), (ii) or (iii) have taken place (or on such later day as the directors may in their discretion determine).
- (c) A Transfer Notice will constitute the Company as the Compulsory Seller's agent and attorney for the sale of the shares specified in the Transfer Notice (the "Sale Shares") at a price (the "Sale Price") as may be agreed between the Compulsory Seller and the directors or, in the absence of any agreement, at the price which the auditors of the Company for the time being (acting as experts and not as arbitrators) will determine to be in their opinion the fair value of the shares as at the date on which the Transfer Notice is deemed given as set out at Article 37(b) above as between a willing seller and a willing buyer contracting on arm's length terms. The fair value so determined will constitute the Sale Price.
- (d) If the auditors are asked to determine the Sale Price they will use all reasonable endeavours to determine the Sale Price within 30 days of their appointment. The Company will, as soon as it receives the auditors' written determination, notify the Compulsory Seller and supply him with a copy of the written determination. The auditors' determination will be binding upon all parties. The cost of obtaining the written determination will be borne by the Compulsory Seller. In the absence of fraud the auditors will be under no liability to any person by reason of their determination or for anything done or omitted to be done by them for the purpose thereof or in connection therewith.
- (e) A Transfer Notice given or deemed given under this Article 37 will be revocable only with the prior consent of the directors, who may impose such conditions for any consent as they think fit, including a condition that the Compulsory Seller bears all costs arising from the giving of such Transfer Notice and the revocation thereof.
- (f) (i) Upon the Sale Price being agreed or determined as stated above, the Company may by notice in writing offer in the first instance the Sale Shares at the Sale Price to any one or more directors or employees of the Company or any of its subsidiaries as may be nominated for this purpose by the board of directors in such proportions as the directors think fit, giving details of the number of such Sale Shares and the Sale Price. Any such offer shall be

open for a period of 28 days, or such lesser period as the directors think fit, from the date of the notice (the "First Acceptance Period").

- (ii) If any such offer is not accepted within the First Acceptance Period or accepted only in respect of part of the Sale Shares, or if no such offer is made, the directors will immediately by notice in writing offer the Sale Shares at the Sale Price to the Employee Trust giving details of the number of Sale Shares remaining and the Sale Price. Such offer shall be open for a period of 28 days from the date of the notice (the "Second Acceptance Period").
- (iii) If the Employee Trust declines to accept any such offer within the Second Acceptance Period or accepts only in respect of part of the Sale Shares, the directors shall immediately give a further notice in writing to each of the other "A" Ordinary Shareholders of the Company (not being either the Compulsory Seller, a person who has accepted under paragraph (i) above or the Employee Trust) informing them of the number of Sale Shares remaining and the Sale Price and inviting each of them to state in writing within 28 days from the date of such further notice (the "Third Acceptance Period") whether the member is willing to purchase any, and if so what maximum number, of the Sale Shares remaining.
- (iv) If any "A" Ordinary Shareholders within the Third Acceptance Period apply for all or any of the remaining Sale Shares, the Company shall allocate such of the Sale Shares as are applied for to and amongst the applicants (and in case of competition, in proportion to their then existing holding of shares (as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by such applicant)).
- (v) If the "A" Ordinary Shareholders decline to accept any such offer or accept only in respect of part of the Sale Shares, the directors shall immediately give a further notice in writing to each of the "B" Ordinary Shareholders and "C" Ordinary Shareholders of the Company informing them of the number of Sale Shares remaining and the Sale Price and inviting each of them to state in writing within 28 days from the date of such further notice (the "Fourth Acceptance Period") whether the member is willing to purchase any, and if so what maximum number, of the Sale Shares remaining.
- (vi) If any "B" Ordinary Shareholders and "C" Ordinary Shareholders within the Fourth Acceptance Period apply for all or any of the Sale Shares, the Company shall allocate such of the Sale Shares as are applied for to and amongst the applicants (and in case of competition, in proportion to their then existing holding of shares

(as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by such applicant)).

- (g) If within the First Acceptance Period, the Second Acceptance Period, the Third Acceptance Period or the Fourth Acceptance Period (if any) all or any of the other Ordinary Shareholders accept the offer of all or any of the Sale Shares (the "Transferees") the directors will forthwith after the expiration of the First Acceptance Period or, (if there is a Second Acceptance Period), after the expiration of the Second Acceptance Period or, (if there is a Third Acceptance Period), after the expiration of the Third Acceptance Period or (if there is a Fourth Acceptance Period), after the expiration of the Fourth Acceptance Period give notice in writing (the "Acceptance Notice") of such acceptance to the Compulsory Seller and the Transferees and will specify in the Acceptance Notice the place and time (being not earlier than 7 and not later than 21 days after the date of the Acceptance Notice) at which the sale of the Sale Shares (or such of the Sale Shares as are applied for) will be completed. In the event that Transferees are not found for all the Sale Shares in accordance with the foregoing, the directors may nominate any other persons to acquire the remaining Sale Shares at no less than the Sale Price.
- (h) The Compulsory Seller will be bound to transfer the Sale Shares to the Transferees at the time and place specified in the Acceptance Notice and payment of the Sale Price for the Sale Shares (or such of the Sale Shares as are applied for) will be made by the Transferees to the Company as agent for the Compulsory Seller. If the Compulsory Seller fails to transfer the Sale Shares (or such of the Sale Shares as are applied for) the chairman of the Company or failing him the Company Secretary will be deemed to have been appointed attorney for the Compulsory Seller with full power to execute, complete and deliver, in the name of and on behalf of the Compulsory Seller, a transfer of the Sale Shares (or such of the Sale Shares as are applied for) to the Transferees against payment of the Sale Price. On payment to the Company of the Sale Price and of the relevant stamp duty payable in respect of the transfer to the Company the Transferees will be deemed to have obtained a good discharge for such payment and on execution and delivery of the transfer(s) the Transferees will be entitled to insist upon their respective names being entered in the register of members as the holders by transfer of, and to be issued with share certificates in respect of, the Sale Shares (or such of the Sale Shares as are applied for). After the names of the Transferees have been entered in the register of members in exercise of the above-mentioned powers the validity of the proceedings will not be questioned by any person.
- (i) The Company will be trustee for any moneys received as payment of the Sale Price from the Transferees and will promptly pay them to the Compulsory Seller (subject to applying the same on his behalf in settling any fees or expenses falling to be borne by the Compulsory Seller) together with any balance certificate to which he may be entitled.

TRANSFER RESTRICTIONS FOR "B" AND "C" ORDINARY SHAREHOLDERS

38. No "B" or "C" Ordinary Share may be transferred other than:

- (a) in the case of a "B" Ordinary Shareholder or "C" Ordinary Shareholder which is a body corporate, to a member of the same group (meaning a subsidiary or holding company of the body corporate or a subsidiary of a holding company of the body corporate) if the transferee gives an undertaking to the Company that if the transferee ceases to be a member of the same group, all its shares in the Company will, before the cessation, be transferred to another member of the same group;
- (b) in the case of a "B" Ordinary Shareholder or "C" Ordinary Shareholder which is, or holds shares as nominee or trustee for, a partnership or unit trust:
 - (i) to another nominee or trustee for the partnership or unit trust;
 - (ii) on a distribution in kind to the partners of the partnership or their nominees or the holders of units in the unit trust or their nominees; or
 - (iii) to a partnership, unit trust or investment trust, or to a nominee or trustee for a partnership, unit trust or investment trust, in either case which is primarily a vehicle for institutional investors and which is advised or managed by the adviser or manager of the transferor partnership or unit trust;
- (c) to a "Co-Investment Scheme", being a scheme under which certain officers, employees or partners of an Investor (as defined in the Shareholders Agreement) or of its adviser or manager (as individuals or through a body corporate or any other vehicle) acquire shares in any entity in which the Investor has made an investment;
- (d) in the case of a Co-Investment Scheme which holds "B" Ordinary Shares or "C" Ordinary Shares through a body corporate or another vehicle, to:
 - (i) another body corporate or another vehicle which holds or is to hold shares for the Co-Investment Scheme; or
 - (ii) the officers, employees or partners entitled to the "B" Ordinary Shares or the "C" Ordinary Shares under the Co-Investment Scheme;
- (e) in the case of a "B" Ordinary Shareholder or "C" Ordinary Shareholder who is an individual, to the spouse and/or lineal descendants (including stepchildren or grandchildren) of the "B" or "C" Ordinary Shareholder and/or to the trustees of a trust of which the beneficiaries include the "B" or "C" Ordinary Shareholder who established the trust and who is transferring the relevant shares

and/or his spouse and/or his lineal descendants (including stepchildren or grandchildren) and/or to the trustees of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the "B" or "C" Ordinary Shareholder who established the trust and who is transferring the relevant shares and/or his spouse and/or his lineal descendants (including stepchildren or grandchildren); and the trustees of such a trust may not transfer shares under this Article 38(e) other than to persons to whom the "B" or "C" Ordinary Shareholder establishing the trust might transfer the shares under this Article 38(e) or to replacement trustees of the same trust and/or to his personal representatives upon the death of such "B" Ordinary Shareholder or "C" Ordinary Shareholder;

- (f) in accordance with the provisions of Articles 41, 42 or 43 inclusive;
- (g) on or after a Listing or following an IPO in the United States;
- (h) otherwise than in accordance with any of Articles 38(a) to (g), (i) or (j) but in any such case subject to and in accordance with Article 39;
- (i) after 31 December 1999; or
- (j) with the prior written consent of the holders of 95 per cent of the Ordinary Shares.

PRE-EMPTION RIGHTS

39. The following pre-emption procedures shall apply to the transfer of "A" Ordinary Shares pursuant to Article 36(e) and to "B" and "C" Ordinary Shares pursuant to Article 38(h):-

- (a) If any "B" Ordinary Shareholder or "C" Ordinary Shareholder (the "Selling Shareholder") wishes to transfer its shares pursuant to paragraph (h) of Article 38, it shall be required to serve notice on the Company ("Sale Notice") stating the number of shares it wishes to transfer ("Sale Shares") and its asking price for each share ("Asking Price")
- (b) The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the terms set out in (c) below, which the Company shall notify to the Ordinary Shareholders (with the exception of the Selling Shareholder) within seven days of receiving the Sale Notice (the date of despatch of such notification being hereinafter referred to as the "Despatch Date");
- (c) The terms are as follows:
 - (i) the price for each Sale Share is the Asking Price;
 - (ii) the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;

- (iii) any "B" Ordinary Shareholder and any "C" Ordinary Shareholder excluding the Selling Shareholder shall have the right to offer to acquire the Sale Shares (in such proportions which as nearly as possible, are pro rata to their existing holdings of "B" and/or "C" Ordinary Shares) by notice received by the Company within 30 days of the Despatch Date provided that any "B" or "C" Ordinary Shareholder may indicate the maximum number of Sale Shares he would be willing to buy over and above his pro rata entitlement and if any "B" Ordinary Shareholder or "C" Ordinary Shareholder does not offer to acquire his whole or any part of his pro rata entitlement the shareholders who offered to acquire additional shares shall be entitled to acquire the remaining shares and, in the case of competition, such remaining shares to be allocated pro rata to those shareholders in accordance with their existing shareholdings;
- (iv) if offers to acquire all the Sale Shares have not been made by the "B" Ordinary Shareholders and/or "C" Ordinary Shareholders, then the "A" Ordinary Shareholders shall have the right to offer to acquire those Sale Shares which are so far untaken in the proportions which, as nearly as possible, are pro rata to their existing holdings of "A" Ordinary Shares, by notice received by the Company within 30 days of the Despatch Date;
- (v) 30 days after the Despatch Date (hereinafter referred to as the "Closing Date"):
- (aa) any Ordinary Shareholders who have not responded to the offer in writing shall be deemed to have declined it; and
 - (bb) each offer made by a Shareholder to acquire Sale Shares shall become irrevocable;
- (vi) if offers to acquire all the Sale Shares are received pursuant to paragraphs (iii) and/or (iv) above, then the Selling Shareholder shall have the option to:
- (aa) cancel the Sale; or
 - (bb) proceed with the sale of all the Sale Shares as set forth below to the Ordinary Shareholders which have offered to acquire such Sale Shares.
- (vii) if offers to acquire fewer than all the Sale Shares are received, then the Selling Shareholder shall have the option to:
- (aa) cancel the sale; or

- (bb) proceed with the sale of such Sale Shares as have been agreed to be purchased; or
 - (cc) proceed with a sale of all of the Sale Shares to a third party or parties in accordance with paragraph (e).
- (viii) The Selling Shareholder shall exercise its option in clause (vi) or (vii) by notice received by the Company within three days after the Closing Date. If no notice is received by such date, the Selling Shareholder shall be deemed to have elected to cancel the sale.
- (d) If the Selling Shareholder has elected to proceed with a sale of such Sale Shares as have been offered to the Ordinary Shareholders under such offer, within seven days after the Closing Date, the Company shall notify the Selling Shareholder and such Ordinary Shareholders who have offered to buy Sale Shares (hereinafter referred to as the "Buying Shareholder(s)") of the result of the offer and if any Sale Shares are to be sold pursuant to the offer:
 - (i) the Company shall notify the Selling Shareholder of the names and addresses of the Buying Shareholder(s) who are to buy Sale Shares and the number to be bought by each;
 - (ii) the Company shall notify each Buying Shareholder(s) of the number of Sale Shares he is to buy; and
 - (iii) the Company's notices shall state a place and time, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed; and
 - (iv) if the Selling Shareholder subsequently does not transfer Sale Shares in accordance with the provisions of this Article 39, the directors may authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the Buying Shareholder(s) concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the Buying Shareholder(s). The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Sale Shares.
- (e) If, by the Closing Date, the Company has not received offers for all the Sale Shares, the Selling Shareholder may within 90 days of the Closing Date transfer all the Sale Shares (or, in the event that the Selling Shareholder has elected to proceed under paragraph (bb) of Article 39(c)(vii), those Sale Shares for which offers were not received) to any person at no less than 90% of the Asking Price

per share with any other terms being no more favourable overall to the purchaser than those in the Sale Notice.

(f) If an "A" Ordinary Shareholder wishes to transfer his shares pursuant to Article 36(e), the same provisions of paragraphs (a) to (e) of this Article 39 shall apply save that:

(i) any reference to "Selling Shareholder" shall refer to that "A" Ordinary Shareholder; and

(ii) the "A" Ordinary Shareholders (with the exception of the Selling Shareholder) shall have first right to accept such shares set out in the Sale Notice pro rata as nearly as possible to their existing holdings of "A" Ordinary Shares after which any shares which are still untaken may be accepted by the "B" Ordinary Shareholders and "C" Ordinary Shareholders in such proportions which, as nearly as possible, are pro rata to their respective existing holdings of "B" Ordinary Shares and "C" Ordinary Shares respectively.

CONVERSION OF ORDINARY SHARES

40. (a) If an "A" Ordinary Share is transferred to a "B" Ordinary Shareholder or to a "C" Ordinary Shareholder that share shall continue to be an "A" Ordinary Share but for so long as it is held by a "B" Ordinary Shareholder or a "C" Ordinary Shareholder the transfer restrictions set out in Articles 36 and 37 shall not apply and instead the provisions of Articles 38 and 39 shall apply to any transfer of any such "A" Ordinary Shares as if they were, for these purposes only, "B" or "C" Ordinary Shares.

(b) Subject to paragraph (a) above, where "A" Ordinary Shares are to be sold together with "B" Ordinary Shares and "C" Ordinary Shares pursuant to the Tag Along Rights and Drag Along Rights of Article 41, 42 or 43, then such "A" Ordinary Shares shall continue to be "A" Ordinary Shares but (for so long as they are held by the transferee or any other person who holds "B" or "C" Ordinary Shares) the transfer restrictions set out in Articles 36 and 37 shall not apply and instead the provisions of Articles 38 and 39 shall apply to any transfer of any such "A" Ordinary Shares as if they were, for these purposes only, "B" or "C" Ordinary Shares.

(c) Any "A" Ordinary Share which a holder of "B" Ordinary Shares or "C" Ordinary Shares as envisaged by Article 40(a) or a third party as envisaged by Article 40(b) and to which the transfer provisions of these Articles apply as if it were a "B" or "C" Ordinary Share as provided in Article 40(a) and (b) is referred to in these Articles as an "Institutional "A" Ordinary Share" provided that save for Articles 36, 37, 38 and 39 all other references in these Articles to "A" Ordinary Shares shall be deemed to include a reference to the "Institutional "A" Ordinary Shares" save where specifically provided to the contrary.

TAG ALONG RIGHTS

41. (a) If, at any time, any one or more Ordinary Shareholder proposes or together propose to sell or otherwise transfer for value a number of Ordinary Shares representing 50% or more of the aggregate number of Ordinary Shares in issue in one or a series of related transactions, other than a sale (i) in accordance with Article 36(a), (b) or (f) or any of Articles 38(a) to (e) inclusive or Article 38(j), (ii) pursuant to an effective registration statement under the Securities Act relating to an underwritten public offering of such Shares or (iii) to a person who has also offered to purchase the remaining Ordinary Shares on the same terms offered to such Ordinary Shareholder(s), such Ordinary Shareholder(s) may only sell such Ordinary Shares, subject to and in compliance with this Article 41.
- (b) The Ordinary Shareholder(s) proposing to sell Ordinary Shares (the "Majority Shareholder") shall notify the other Ordinary Shareholders in writing of such intended sale at least 28 days prior to the date thereof, which notice (in this Article and in Article 42 the "Majority Shareholder's Notice") shall set forth, to the extent not set forth in any accompanying documents, all of the material terms of the intended sale, including but not limited to the name and address of the prospective transferee (the "Prospective Transferee"), all information reasonably available to the Majority Shareholder regarding the Prospective Transferee that the other Ordinary Shareholders would reasonably need to make a decision under this Article 41, the purchase price and other terms and conditions of payment, the date on or about which such sale is to be made (the "Prospective Sale Date") and the number of Ordinary Shares to be purchased by the Prospective Transferee from the Majority Shareholder(s) (the "Prospective Sale Shares").
- (c) Within 21 days of receipt of a Majority Shareholder's Notice, each other Ordinary Shareholder may notify the Majority Shareholder(s) that such other Ordinary Shareholder desires to sell shares to the Prospective Transferee on the same terms and conditions as set forth in the Majority Shareholder's Notice. Upon giving such notice to the Majority Shareholder, such other Shareholder shall be entitled to sell to the Prospective Transferee, on the same terms and conditions as set forth in the Majority Shareholder's Notice, up to that number of his shares (the "Tag-Along Shares") equal to the product of (i) the total number of Ordinary Shares agreed to be purchased by the Prospective Transferee and (ii) a fraction of which the numerator shall be the number of Ordinary Shares then owned by such other Ordinary Shareholder and the denominator shall be the total number of Ordinary Shares then owned by all Ordinary Shareholders. Such other Ordinary Shareholder shall not be deemed to have entered into a legally binding agreement to sell any Tag Along Shares unless and until such other Ordinary Shareholder shall have entered into a definitive share purchase agreement in respect of such Shares with the Prospective Transferee, on terms identical to those entered into by the Majority Shareholder(s). If such other Ordinary Shareholder is not afforded the right to participate in the transaction contemplated by the Majority Shareholder's Notice

in accordance with the terms and conditions hereof, the Majority Shareholder(s) may not consummate such transaction and the directors may not register the transfer of shares by the Majority Shareholder(s).

DRAG ALONG RIGHTS

42. If any one or more Ordinary Shareholder (the "Majority Shareholder(s)") agrees or together agree to sell or otherwise transfer for value a number of Ordinary Shares representing 50% or more of the aggregate number of the Ordinary Shares in issue in one or a series of related bona fide arm's-length transactions with any person or persons who are not connected with (as such term is defined in section 839 Income and Corporation Taxes Act 1988) such Ordinary Shareholder or Ordinary Shareholders (the "Prospective Transferee(s)"), then, upon the demand of such Majority Shareholder(s) (which demand shall contain all of the information equivalent to that required to be set forth in a Majority Shareholder Notice and be given not less than 28 days prior to the proposed sale date), each other Ordinary Shareholder (the "Compulsory Vendor") shall sell or transfer up to the number of his Shares (the "Drag-Along Shares") being that proportion of the Shares then held by him which is equal to the proportion which the number of shares agreed to be sold to the Prospective Transferee(s) by the Majority Shareholder(s) bears to the number of Ordinary Shares then in issue on the same terms and conditions as those on which the Majority Shareholder(s) has or have agreed to sell or transfer its or their Ordinary Shares save that the price at which the Drag-Along Shares shall be transferred shall be the average price per Share received or receivable by the Majority Shareholder(s) from the Prospective Transferee(s) taking account in calculating such average the price at which the Majority Shareholder(s) has or have agreed to transfer its or their Ordinary Shares and the price at which any Majority Shareholder has transferred any Shares to any Prospective Transferee as part of the relevant series of related transactions over the preceding 12 months.
43. If the Compulsory Vendor fails to transfer his Drag-Along Shares pursuant to Article 42 then the chairman of the Company or failing him the Company Secretary will be deemed to have been appointed attorney for the Compulsory Vendor with full power to execute, complete and deliver, in the name of and on behalf of the Compulsory Vendor, a transfer of the Drag-Along Shares to the Prospective Transferee against the payment as set out in the demand. On payment to the Company of the consideration and of the relevant stamp duty payable in respect of the transfer the Prospective Transferee will be deemed to have obtained a good discharge for such payment and on execution and delivery of the transfer(s) the Prospective Transferee will be entitled to insist upon his name being entered in the register of members as the holder by transfer of, and to be issued with a share certificate in respect of, the Drag-Along Shares. After the name of the Prospective Transferee has been entered in the register of members in exercise of the above-mentioned powers the validity of the proceedings will not be questioned by any person. The Company will be trustee for any moneys received as payment from the Prospective Transferee and will promptly pay them to the Compulsory Vendor (subject to applying the same on his behalf in settling any fees or expenses falling to be borne by the Compulsory Vendor) together with any balance certificate to which he may be entitled.
44. The provisions of Article 41, 42 and 43 shall cease to apply after an IPO.

ADDITIONAL TRANSFER RESTRICTIONS

45. Notwithstanding any provision of these Articles to the contrary, no transfer may be effected and the Company will not register a transfer of shares:

- (i) save in the case of a transfer pursuant to an effective registration statement under the Securities Act, unless such transfer may be made without registration under the Securities Act of the Shares proposed to be transferred or any other shares in the capital of the Company; or
- (ii) which would cause any direct or indirect shareholder of the Company (other than the proposed transferee) including any direct or indirect owner of any equity interest in a shareholder of the Company to be treated as a "U.S. Shareholder" of the Company within the meaning of the Section 951(b) of the US Internal Revenue Code of 1986, as amended, unless the shareholder or owner which will become so treated shall have consented thereto in writing.

46. MAJOR SHAREHOLDERS AND CONTROLLERS

- (a) If any person shall be or become a major shareholder and/or a controller then such person shall:-
 - (i) comply with all applicable requirements specified in the Lloyd's rules, whether in relation to the provision of information or otherwise; and
 - (ii) within 14 days of any written notice, supply to the Company such information as is requested in such notice for the purpose (whether directly or indirectly) of ascertaining all the interest of the major shareholder and/or controller in the Company.
- (b) If the Council of Lloyd's shall notify the Company, or any of its subsidiaries being a corporate member of Lloyd's, to the effect that, by virtue of such major shareholder's or controller's (as the case may be) interest in shares in the Company, one or more of such subsidiaries of the Company may not be or shall not be fit and proper to be or to remain a corporate member of Lloyd's, then the following provisions of this Article 46 shall apply.
- (c) If any such notification as is referred to in Article 46(b) shall be made, then the Company is hereby empowered, upon giving the major shareholder or controller (as the case may be) 14 day's notice of its intention to do so, as agent for the major shareholder or controller (as the case may be) to sell such number of shares so that forthwith after such sale, such person shall not be a major shareholder or controller (as the case may be) ("the excess shares").
- (d) For the purpose of any sale made pursuant to the power in Article 46(c), the directors shall authorise any director to be the attorney of the major shareholder or controller (as the case may be) in order to execute the necessary instrument

of transfer of the excess shares, to deliver it unconditionally on his behalf against receipt in full by the Company of the purchase money and to do all other acts, matters and things to complete the sale of the excess shares so that all the right, title and interest thereto shall cease to be vested in the major shareholder or controller (as the case may be). The Company shall upon completion of such sale, and subject to such instrument being duly stamped, cause the transferee to be registered as the holder of such excess shares and shall hold such purchase money on behalf of (but not as trustee for) the major shareholder or controller (as the case may be). The Company shall not be bound to earn or pay interest on any money so held. The receipt by the Company of such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in exercise of the aforesaid power, the validity of any action pursuant to this Article 46 shall not be questioned by any person.

- (e) In pursuance of its power to sell any excess shares, the Company shall not be obliged to sell at any time or to delay or bring forward the time of the proposed sale for any reason, or generally to act as trustee for the major shareholder or controller (as the case may be). It shall, however, be obliged to obtain the best price reasonably obtainable for the excess shares and shall first offer such shares to existing shareholders of the Company (other than the major shareholder and/or controller concerned) as if it were a transfer made pursuant to Article 39 *mutatis mutandis*. Any such sale may be in one or more tranches in the absolute discretion of the Company.
- (f) If the sale of any or all of the excess shares shall not be practicable at any time as determined in the absolute discretion of the Company, then the Company shall give written notification thereof to the major shareholder or controller (as the case may be). With effect from the date of such notification, and as stated therein, the major shareholder or controller (as the case may be) shall not be entitled to exercise either personally or by proxy any of the votes attached to (i) the excess shares referred to in such notice and (ii) such additional number of shares held by it as shall be required to ensure that the voting power of the Company which such shareholder is entitled to exercise is less than 15 per cent or 30 per cent (as the case may be) or to exercise any rights conferred thereby in relation to meetings of the Company or of the holders of any class of shares of the Company.
- (g) Any disenfranchisement pursuant to Article 46(f) shall have effect for so long as the major shareholder or controller retains any interest in any of the excess shares or until such time as the major shareholder or controller becomes acceptable to Lloyd's.
- (h) The directors shall not knowingly register any transfer of shares if the effect of such transfer would be that the proposed transferee named therein would become a major shareholder or controller unless the Council of Lloyd's has given written notice to the Company, or any such notice has been delivered to

the Company, to the effect that registration of such transfer would not result in the Council of Lloyd's being minded to find any subsidiary of the Company which is then a corporate member at Lloyd's not fit and proper to be or remain a corporate member and such notice shall not have been withdrawn.

- (i) For the avoidance of doubt the Company shall exercise the power in article 46(c) above, in the circumstances described therein and in no other circumstances.

CONVERSION OF "A" ORDINARY SHARES TO DEFERRED SHARES

47. In certain circumstances as set out below the "A" Ordinary Shares other than any Institutional "A" Ordinary Shares shall automatically stand converted into Deferred Shares:-

- (a) Where on the occurrence of an Exit Event the annual internal rate of return on the "B" Ordinary Shares and "C" Ordinary Shares issued on the date of adoption of these Articles or at any other time for the purposes of financing an acquisition by the Company of CGL Shares (the "Relevant "B" and "C" Ordinary Shares") then in issue does not equal or exceed 6% then the number of "A" Ordinary Shares to be converted into Deferred Shares shall be 17.01 per cent. of the total number of "A" Ordinary Shares other than Institutional "A" Ordinary Shares and, for the avoidance of doubt, the "A" Ordinary Shares to be converted will not include any Institutional "A" Ordinary Shares.

The annual internal rate of return ("IRR") shall be calculated as follows:-

- (i) in respect of each successive period of one calendar month (a "Period") beginning with 30 November 1994 (the "Commencement Date") (but with a final period which may be shorter than one calendar month ending on the date on which the Exit Event occurs (the "Relevant Date")) there shall be ascertained:-

- (aa) the total amount of cash paid to the Company during that Period for or in respect of the Relevant "B" and "C" Ordinary Shares; and

- (bb) the total amount of all cash paid by the Company in respect of the Relevant "B" and "C" Ordinary Shares during that Period (including any repayments or purchases of share capital and any distributions on such shares).

The figure which results from deducting (aa) from (bb) above in respect of any Period is referred to below as the "cash flow for that Period" and it is assumed for the purposes of this Article that the cash flow for any Period arises at the start of that Period.

Provided that for the purpose of this Article, in calculating the cash flow for the Period which ends on the Relevant Date, the Relevant "B" and "C" Ordinary Shareholders shall be deemed to have received in cash during that Period, and accordingly there shall be included in the figure to be ascertained under (bb) above the Exit Value (as defined below) of the Relevant "B" and "C" Ordinary Shares.

(ii) The IRR is "R"

where "R" is the percentage divided by 100 such that

$$1 + R = (1 + r)^{12}$$

where "r" is the percentage divided by 100 such that the sum of the amounts calculated in accordance with the following formula for each Period from the first Period (ascertained pursuant to (i) above) to the final Period (which ends on the Relevant Date) is zero:-

$$\frac{\text{Cash flow for that Period } t}{(1 + r)^{t-1}}$$

where t is 1 in respect of the first Period, 2 in respect of the second Period and so on (such that, for the avoidance of doubt, t equals 13 for the period commencing on the date of the first anniversary of the Commencement Date etc).

(iii) "Exit Value" means the value of the Relevant "B" and "C" Ordinary Shares in issue on the Exit Event by reference to:-

- (a) in the case of an IPO, the price per share at which ordinary shares in the Company are sold or offered in connection with the IPO (in the case of an offer for sale, being the underwritten price or, if an offer for sale by tender, the striking price under such offer or, in the case of a placing, the price at which shares are sold under the placing) but net of underwriting discounts and commissions multiplied by the number of Relevant "B" and "C" Ordinary Shares in issue at the time of such IPO (or shares deriving therefrom consequent upon a share reorganisation prior to the IPO);
- (b) in the case of a Sale, the price offered to the holders of "B" Ordinary Shares and "C" Ordinary Shares in connection with the Sale;

- (c) if the relevant Exit Event is 31 December 1999, as determined by independent valuers appointed for this purpose by the "B" and "C" Ordinary Shareholders whose determination shall be final and binding taking account of any contingent liabilities of the Company (whether in respect of repayment of indebtedness or otherwise) and any potential dilution of the percentage shareholding representing the Relevant "B" and "C" Ordinary Shares by virtue of any proposed further issue of Shares.
 - (b) 30 days after the sale by any person other than the Company or its nominee (or any person who has acquired CGL Shares from or through the Company) of any CGL Shares after the grant of a relevant permission (but, unless there has been an Exit Event prior to 31 December 1999, only where the relevant permission is granted on or prior to 31 December 1999) to any person other than the Company or its nominee, all "A" Ordinary Shares other than the Institutional "A" Ordinary Shares shall automatically convert into Deferred Shares unless such transfer is permitted under article 6.3 of the articles of association of CGL in the form adopted on the date of adoption of these Articles or the holders of a majority of the "B" Ordinary Shares and the holders of a majority of "C" Ordinary Shares resolve otherwise.
 - (c) Where after a period of six months following the grant of a relevant permission (but, unless there has been an Exit Event prior to 31 December 1999, only where the relevant permission is granted on or prior to 31 December 1999), all those persons who are entitled under the terms of the Purchase Agreement to exercise the Put, have not exercised the Put to the full extent that the relevant permission allows (where "Put" is as defined at clause 5.3 of the Purchase Agreement), then all "A" Ordinary Shares other than Institutional "A" Ordinary Shares shall automatically convert into Deferred Shares.
48. For the purposes of Article 47 (b) or (c) "relevant permission" means a legally binding and effective permission granted by Lloyd's which allows the Company to acquire further CGL Shares without causing the approved status of CUAL as a Lloyd's managing agent to be withdrawn or prejudiced and whether such permission is by means of a permission or approval specifically in relation to CUAL and/or CGL or is by means of a general permission or consent including the promulgation and coming into effect of a rule or bye-law of Lloyd's (or an amendment to their current rule(s) or bye-law(s));
49. The rights attaching to the Deferred Shares are set out at Article 50.

DEFERRED SHARES AND STERLING DEFERRED SHARES

50. (a) The holders of the Deferred Shares shall not by virtue of or in respect of their holdings of Deferred Shares, have the right to receive notice of any general meeting of the Company nor the right to attend, speak or vote at any such general meeting. The Deferred Shares shall not entitle their holders to receive

any dividend or other distribution. The Deferred Shares shall on the return of assets in a winding-up entitle the holder only to the repayment of the amounts paid upon such shares after repayment of the capital paid up on the Ordinary Shares plus the payment of £10,000,000 per such Ordinary Share. The Company shall have irrevocable authority at any time after the adoption of this Article to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof and/or an agreement to transfer the same, without making any payment to the holders thereof and/or acquire the same (in accordance with the provisions of the Act) without making any payment to or obtaining the sanction of the holders thereof, to such persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate for such shares.

- (b) Article 50(a) shall apply to the Sterling Deferred Shares as if all references in that Article to "Deferred Shares" were a reference to "Sterling Deferred Shares" provided that the power of the Company to acquire the Sterling Deferred Shares shall be subject to the minimum capital requirements contained in the Act.

TRANSMISSION OF ORDINARY SHARES

51. Subject to the provisions of Article 37, the following provisions apply on a transmission of shares:-

- (a) If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only persons recognised by the Company as having any title to his interest; but nothing in the articles shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
- (b) A person becoming entitled to a share in consequence of the death or bankruptcy of a member 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 of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
- (c) A person becoming entitled to a share by reason of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

ALTERATION OF SHARE CAPITAL

52. The Company may by ordinary resolution:
- (a) increase its share capital by new shares of such amount as the resolution prescribes;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) 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 preference or advantage as compared with the others; and
 - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
53. 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.
54. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

PURCHASE OF OWN ORDINARY SHARES

55. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) in its own capital in any way.

GENERAL MEETINGS

56. All general meetings other than annual general meetings shall be called extraordinary general meetings.
57. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member may call a general meeting.

NOTICE OF GENERAL MEETINGS

58. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of the annual general meeting, by all the members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
59. 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.
60. Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all the persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.
61. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

62. 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, shall be a quorum.
63. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such day and at such time and place as the directors may determine.
64. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) is present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
65. If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

66. 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.
67. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
68. A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- (a) by the chairman; or
 - (b) by any member present in person or by proxy and entitled to vote.
69. 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.
70. 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.
71. A poll shall be taken in such manner as the chairman directs and he may appoint scrutineers (who need not be members) and fix a place and time 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.
72. In the case of equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
73. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

74. No notice need be given of a poll not taken forthwith if the time and place at which it is 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.
75. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. If a resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly.

VOTES OF MEMBERS

76. 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) is present by a duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.
77. 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.
78. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the 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.
79. No member shall, unless the directors otherwise determine, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
80. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

81. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it.
82. An instrument appointing a proxy shall be in writing in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the appointor.
83. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:
- (a) be left at or sent by post or by facsimile transmission to the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and at any time before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

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

84. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

85. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not exceed seven and the minimum number is two.

ALTERNATE DIRECTORS

86. Any director (other than an alternate director) may appoint any person willing to act, whether or not he is a director of the Company and without the approval of the directors, to be an alternate director and may remove from office an alternate director so appointed by him.

87. An alternate director shall, whether or not he is 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, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director.
88. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires but is reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue in force after his reappointment.
89. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors. Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors.
90. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.
91. Each alternate shall carry the same number of votes at meetings as his appointor is entitled pursuant to Article 108.

POWERS OF DIRECTORS

92. Subject to the provisions of the Act, the memorandum and articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or 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 the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
93. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
94. If the number of directors is less than two the remaining director may act only for the purposes of appointing an additional director or directors to make up that minimum or convening a general meeting of the Company for the purpose of making such appointment. If the remaining director is not able or willing to act, two members may convene a general meeting for the purpose of appointing a director. An additional director appointed in this way holds office (subject to the Articles) only until the dissolution of the next annual general meeting after this appointment unless he is reappointed during that meeting.

DELEGATION OF DIRECTORS' POWERS

95. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the articles regulating the proceedings of directors so far as they are capable of applying. Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

APPOINTMENT AND REMOVAL OF DIRECTORS

96. (a) The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director provided that the appointment does not cause the number of directors to exceed the maximum number of directors as fixed by Article 85.
- (b) The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors as fixed by Article 85.
97. Notwithstanding any other provisions of these Articles:-
- (a) the holders of a majority of the "C" Ordinary Shares in issue shall be entitled to appoint and remove three directors of the Company provided that the "C" Ordinary Shares in issue represent at least 40 per cent of the issued equity share capital of the Company; two directors of the Company for so long as the "C" Ordinary Shares in issue represent at least 20 per cent of the issued equity share capital of the Company but less than 40 per cent and one director of the Company for so long as the "C" Ordinary Shares in issue represent at least 5 per cent of the issued equity share capital of the Company;
- (b) the holders of a majority of the "A" Ordinary Shares in issue shall be entitled to appoint and remove two directors of the Company provided that the "A" Ordinary Shares in issue represent at least 20 per cent of the issued equity share capital of the Company (or would represent at least 20 per cent. of the issued equity share capital of the Company but for any conversion of a number of "A" Ordinary Shares pursuant to Article 47(a)) and one director of the Company for so long as the "A" Ordinary Shares in issue represent at least 5 per cent of the issued equity share capital of the Company but less than 20 per cent;

- (c) the holders of a majority of the "B" Ordinary Shares in issue shall be entitled to appoint and remove a director of the Company for so long as the "B" Ordinary Shares in issue represent at least five per cent of the issued equity share capital of the Company;
 - (d) any appointment or removal pursuant to this Article shall be made by the person(s) entitled to make the appointment by notice in writing to the Company (or its relevant subsidiary) and cannot be removed (subject to the continuance of the rights set out above) without that person's prior written approval;
 - (e) notwithstanding anything to the contrary contained in these Articles, the "B" Director shall not have the right to participate in any vote by the directors for the appointment of the Independent Director or any other director except that the "B" Director may participate in a vote for one and only one Independent Director which Independent Director has two or fewer votes provided that at such time there exist five or more other directors capable of voting for the Independent Director and such other directors have two votes each and the "B" Director has one vote. Furthermore, notwithstanding anything to the contrary contained herein, the holders of "B" Ordinary Shares shall have no rights as shareholders to vote on any resolution relating to the appointment of any director other than the "B" Director;
 - (f) the rights of each class of Shareholder under this Article to appoint directors shall, for the avoidance of doubt, be treated as a right attaching to the relevant class of shares and accordingly can only be varied with the consent in writing of the holders of not less than 75 per cent. of the Shares of the relevant class or by an extraordinary resolution passed at a separate class meeting of the holders of the relevant class;
 - (g) the provisions of Article 99 relating to the removal of directors and the provisions of Article 100(f) shall not apply to any "A", "B" or "C" Director which the relevant class of shareholders is entitled to appoint and remove pursuant to the foregoing provisions of this Article 97.
98. No person is incapable of being appointed a director by reason of his having reached the age of 70 or another age. No special notice is required in connection with the appointment or the approval of the appointment of such person. No director is required to vacate his office at any time because he has reached the age of 70 or another age and section 293 of the Act does not apply to the Company.
99. The holder or holders of more than half in nominal value of the shares giving the right to attend and vote at general meetings of the Company may remove a director from office and appoint a person to be a director, but only if the appointment does not cause the number of directors to exceed a number fixed by or in accordance with the articles as the maximum number of directors. The removal or appointment is effected by notice to the Company signed by or on behalf of the holder or holders. The notice may consist of several documents in similar form each signed by or on behalf of one or more holders and shall be left at or sent by post or facsimile transmission to the office or such other place designated

by the directors for the purpose. The removal or appointment takes effect immediately on deposit of the notice in accordance with the articles or on such later date (if any) specified in the notice.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

100. The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director; or
 - (d) he resigns his office by notice to the Company; or
 - (e) 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 his alternate director (if any) shall not during such period have attended any such meetings instead of him, and the directors resolve that his office be vacated; or
 - (f) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors; or
 - (g) he is removed from office by notice given under article 99.

REMUNERATION OF DIRECTORS

101. The directors shall be entitled to such remuneration for acting as directors as may be provided for in the Shareholders Agreement.
102. A director who, at the request of the directors, goes or resides abroad, makes a special journey or performs a special service on behalf of the Company may be paid such reasonable additional remuneration (whether by way of salary, percentage of profits or otherwise) and expenses as the directors may decide.

DIRECTORS' EXPENSES

103. 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 committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

104. Subject to the provisions of the Act, the directors may appoint one or more of their body to the office of managing director or to any other executive office under the Company, and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall determine if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.
105. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
106. For the purposes of article 105:
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
 - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

107. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or

any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

108. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Every director shall receive notice of a meeting, whether or not he is absent from the United Kingdom. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively. Subject to the provisions of clause 6 of the Shareholders Agreement, questions arising at a meeting shall be decided by a majority of votes. Each of the directors shall carry the following number of votes at meetings:

"A" Director	:	2 votes each
"B" Director	:	1 vote
"C" Director	:	2 votes each
Independent Director	:	2 votes

save that, in the event that the number of directors of the Company falls below six, then each director other than the "B" Director shall have three votes each and the "B" Director shall have one vote provided always that the "B" Director's relative voting power shall be maintained at less than 10%.

109. A director or his alternate director may participate in a meeting of directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of directors is for the purposes of the articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
110. The quorum for the transaction of the business of the directors shall be at least three, to include at least one "A" Director and one "C" Director (hereinafter referred to as a Quorum Director). If any Quorum Director is not present at a meeting of the directors then at least seven days before the next board meeting the Company shall send special notice to the "A" Directors or to the "C" Directors (whichever is applicable) informing such "A" or "C" Directors that if the Quorum Director is not present at the next meeting of the board, the meeting will be held and deemed quorate without the presence of such Quorum Director and all resolutions shall be deemed valid (with the exception of those to which the "A" Directors or "C" Directors have a right of veto pursuant to clause 6 of the Shareholders Agreement) and that the "A" Directors or "C" Directors (whichever is applicable) shall be deemed to have waived their quorum entitlement for the purposes of that meeting (subject as

aforesaid). A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

111. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
112. All acts done by a meeting of directors, or of a committee of directors, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
113. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it has 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.
114. If and for so long as there is a sole director, he may exercise all the powers conferred on the directors by the articles by resolution in writing signed by him, and articles 108 to 111 (inclusive) and 113 do not apply.
115. Without prejudice to the obligation of a director to disclose his interest in accordance with section 317 of the Act, a director may vote at any meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. The director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted.

SECRETARY

116. 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 think fit; and any secretary so appointed may be removed by the directors.

MINUTES

117. The directors shall cause minutes to be made in books kept for the purpose:
 - (a) of all appointments of officers made by the directors; and

- (b) of all proceedings of 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.

THE SEAL

118. 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 every such instrument shall be signed by a director and by the secretary or by a second director.

DIVIDENDS

119. 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.
120. 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.
121. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amount 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.
122. The directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share.
123. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to such distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

124. Any dividend or other moneys payable on or in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of 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 shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
125. 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.
126. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

ACCOUNTS

127. 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 provided for in the Shareholders Agreement or by ordinary resolution of the Company.

CAPITALISATION OF PROFITS

128. The directors may with the authority of an ordinary resolution of the Company:
- (a) subject as provided in this article, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
 - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such 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: but the share premium account, the capital redemption reserve, and any profits 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;

- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly-paid shares rank for dividend, so long as such shares remain partly paid, only to the extent that such partly-paid shares rank for dividend;
- (d) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this article in fractions; and
- (e) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they may be entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

- 129. Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 130. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address.
- 131. 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.
- 132. Every person who becomes entitled to any 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 given to the person from whom he derives his title.
- 133. A notice sent to a member (or other person entitled to receive notices under the articles) by post to an address within the United Kingdom is deemed to be given:
 - (a) 24 hours after posting, if pre-paid as first class, or
 - (b) 48 hours after posting, if pre-paid as second class.

A notice sent to a member (or other person entitled to receive notice under the articles) by post to an address outside the United Kingdom is deemed to be given 72 hours after posting, if pre-paid as airmail. Proof that an envelope containing the notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left.

134. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the 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, 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 had not occurred.

WINDING UP

135. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company 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 and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

INDEMNITY

136. Subject to the provisions of the Act, but without prejudice to an indemnity to which he may otherwise be entitled, every director, alternate director or secretary of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the execution of his duties or the exercise of his powers, authorities and discretions including, without limitation, a liability incurred:
- (a) defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or
 - (b) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
137. The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary undertaking of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or another liability which may lawfully be insured against by the Company.

G

COMPANIES FORM No. 122

122**Notice of consolidation, division,
sub-division, redemption or
cancellation of shares, or conversion,
re-conversion of stock into shares**Please do not
write in
this margin

Pursuant to section 122 of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering* Insert full name
of company

To the Registrar of Companies

For official use

Company number

[] [] [] []

2983302

Name of company

* Tarquin plc

gives notice that:

By the ordinary resolutions passed on 20 December 1994 the Company resolved to subdivide 572,162 unissued shares of US\$1 in the share capital of the Company into shares of US\$0.01 each pursuant to section 121(2)(d) Companies Act 1985.

AND THAT

56,644,038 of the unissued shares of US\$0.01 each in the share capital of the Company be cancelled pursuant to Section 121(2)(e) of the Companies Act 1985.

7607298

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

Signed

Designation ‡ Director

Date 20 December 1994

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

J. Lloyd
Company Secretary
117 Fenchurch Street
London EC3M 5AL

For official Use
General Section

Post room



Companies Form 122

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Stat Plus Group plc

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