

Company No. 3123443

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

RESOLUTIONS

of

JUPITER SPLIT TRUST PLC

(Passed on 22nd November 1995)

At an Extraordinary General Meeting of the Members of JUPITER SPLIT TRUST PLC duly convened and held on the 22nd day of November 1995 the following Resolutions were passed as Special Resolutions:

SPECIAL RESOLUTION

1. THAT:

- 1.1 the authorised share capital of the Company be increased from £50,000 to £6,103,020 by the creation of 25,200,000 Annuity shares of 0.01p each, 105,000,000 Zero Dividend Preference shares of 0.01p each, 71,400,000 Income shares of 5p each and 49,400,000 Capital shares of 5p each in each case to have the rights set out in the Articles of Association adopted by the Company pursuant to paragraph 1.3 of this resolution;
- 1.2 each Ordinary share of 5p in the capital of the Company be converted into a Capital share of 5p, to have the rights set out in the Articles of Association adopted by the Company pursuant to paragraph 1.3 of this resolution;
- 1.3 the regulations in the form produced to the Meeting and initialled by the Chairman of the meeting for the purposes of identification be adopted, in place of all existing Articles of Association of the Company, as the new Articles of Association of the Company.




2. THAT the Directors be generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal value of £6,053,020 (provided that, following the allotment of share capital of the Company in connection with the offers to be made by UBS Limited and James Capel & Co. Limited on behalf of the Company for shares in The River Plate and General Investment Trust PLC and the placing and offer for subscription of the Company's shares by UBS Limited and James Capel & Co. Limited on behalf of the Company ("the Issue"), the Directors shall not exercise such unused authority to the extent that it exceeds an amount equal to one third of the nominal value of the issued share capital of the Company immediately following the Issue) such authority to expire at the conclusion of the Annual General Meeting to be held in 2000, or, if earlier, on 21st November 2000 unless previously revoked or extended by the Company in general meeting, save that the Company may at any time prior to the expiry of such authority make an offer or agreement which would or might require securities to be allotted after the expiry of such authority and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the said authority had not expired.
3. THAT the Directors be empowered pursuant to Section 95(1) of the Companies Act 1985 ("the Act") to allot equity securities (as defined by Section 94(2) of the Act) pursuant to the authority referred to in Resolution 2 above as if Section 89(1) of the Act did not apply to any such allotment provided that such authority will be limited to allotments made in connection with the placing and offer for subscription of the Company's shares by UBS Limited and James Capel & Co. Limited on behalf of the Company up to an aggregate nominal amount of £6,053,020 and will expire on 21st November 1996 unless earlier revoked or extended by the Company in general meeting, save that the Company may at any time prior to the expiry of such authority make an offer or agreement which would or might require equity securities to be allotted after the expiry of such authority and the Directors may allot equity securities in pursuance of such an offer or agreement as if the said authority had not expired;
4. THAT in addition to the authority given by Resolution 3 above, the Directors be empowered pursuant to Section 95(1) of the Companies Act 1985 ("the Act") to allot equity securities (as defined by Section 94(2) of the Act) pursuant to the authority referred to in Resolution 2 above as if Section 89(1) of the Act did not

apply to any such allotments up to an aggregate nominal value equal to the lesser of (i) 5 per cent. of the issued share capital of the Company immediately following the Issue (as defined in Resolution 2 above) and (ii) the authorised but unissued share capital of the Company immediately following the Issue provided that such authority will expire at the conclusion of the first Annual General Meeting of the Company, if earlier, on 21st February 1997 unless previously revoked or extended by the Company in General Meeting, save that the Company may at any time prior to the expiry of such authority make an offer or agreement which would or might require equity securities to be allotted after the expiry of such authority and the Directors may allot equity securities in pursuance of such an offer or agreement as if the said authority had not expired; and

5. THAT notwithstanding Article 96 of the Articles of Association of the Company adopted pursuant to paragraph 1.3 of Resolution 1 above, John Duffield and Michael Heathcoat Amory shall not be disbarred from voting and are hereby empowered to vote in respect of any resolutions to approve the following contracts notwithstanding that they (together with persons connected with them, as defined in Section 346 of the Companies Act 1985) may have a material interest in such contracts:

- 5.1 an Investment Management Agreement proposed to be entered into between the Company and Jupiter Asset Management Limited;
- 5.2 an Administration Agreement proposed to be entered into between the Company and Jupiter Administration Services Limited;
- 5.3 a Placing Agreement proposed to be entered into between, inter alia, the Company and UBS Limited and James Capel & Co. Limited;
- 5.4 a Cash Underpinning Agreement proposed to be entered into between, inter alia, the Company and UBS Limited and James Capel & Co. Limited;

and they shall be counted in the quorum at any meeting of the directors of the Company at which such resolutions are proposed.


.....
Secretary for Jupiter Asset Management
Limited

THE COMPANIES ACTS 1985 and 1989

A COMPANY LIMITED BY SHARES

MEMORANDUM
and
ARTICLES OF ASSOCIATION
of
JUPITER SPLIT TRUST PLC

Nabarro Nathanson
50 Stratton Street
London W1X 6NX

Tel: 0171 493 9933

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THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

JUPITER SPLIT TRUST PLC

1. The Company's name is "Jupiter Split Trust 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:
 - (1) To carry on the business of an investment trust company or investment company in all its branches.
 - (2) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
 - (3) To invest in, buy, sell, advance upon, lend upon, acquire, foreclose, lease, or otherwise deal in lands securities and investments of all kinds, including without prejudice to such generality, real or heritable property, mortgages, bonds, debentures, debenture stock, scrip, obligations, options, shares, or stock of any company, corporation, authority, commissioners, public body or undertaking of whatever nature and wherever constituted, or syndicate of whatever kind and whether registered or incorporated or not and whether carrying on business in the United Kingdom or elsewhere in the world, or stocks and any other obligations or securities of any government, state, or municipality, supreme, provincial, local, or otherwise, and all whether fully paid or not, or whether bearer or not.
 - (4) To acquire any securities or investments as aforesaid by purchase, original application, exchange, underwriting, tender, participation in syndicates, barter, or by the acquisition of options, traded options, warrants to acquire, conversion rights, or like negotiations or otherwise, and pay calls thereon when payable, or make payments thereon in advance of calls, or otherwise negotiate the issue and

placing of or offer for public subscription any securities or investments aforesaid, and to vary such securities and investments from time to time, and sell, dispose of, exchange, or otherwise deal with any securities or investments belonging to the Company or in which it has an interest.

- (5) To issue, acquire and deal in put and call options relative to the purchase, sale, acquisition or disposal of any such securities or investments and to receive or pay any compensation, premiums or advantages of every description arising from the issue, acquisition of or dealings in such options.
- (6) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any copyrights, patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (7) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (8) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (9) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- (10) To lend and advance money or give credit on any terms and with or without security to any company, firm or person and to give all kinds of indemnities and either with or without the Company receiving any consideration or advantage, direct or indirect, for giving any such guarantee, and whether or not such guarantee is given in connection with or pursuant to the attainment of the objects herein stated to guarantee either by personal covenant or by the mortgaging or charging of all or any part of the undertaking, property and assets present and future and uncalled capital of the Company or by both such methods, the performance of the obligations and the payment of the capital or principal (together with any premium) of and dividends or interest on any debenture, stocks, shares or other securities of any company, firm or person and in particular (but without limiting the generality of the foregoing) any company which is for the time being the Company's Holding or Subsidiary company as defined by Section 736 of the Companies Act 1985, or otherwise associated with the Company in business.

- (11) To pay for any property or rights acquired or discharge or satisfy any debt, obligation or liability incurred by this Company either in cash payable as a lump sum or by instalments or otherwise, or in fully or partly paid up shares, or in securities of this Company, or partly in one way and partly in another, and to accept payment for any property or rights sold or otherwise disposed of by this Company either in cash as aforesaid or in fully or partly paid up shares or in securities of any other company or partly in one way and partly in another, and, whether payment is being made or accepted on such terms generally as the Company shall think fit.
- (12) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (13) To take, make, execute, enter into, commence, carry on, prosecute, and defend all steps, contracts, agreements, negotiations, legal and other proceedings, compromise, arrangements, and schemes; and to do all other acts, matters, and things which shall, at any time appear conducive to or expedient for the protection of the Company, as holders of or interested in any real or heritable, moveable or personal property, securities or investments or for obtaining payment of the moneys payable thereon or in respect thereof.
- (14) To deal with any bank or banks or others whether in the United Kingdom or elsewhere in the way of placing money on current account or deposit, or to borrow money from such banks or others in accordance with the provisions hereof.
- (15) To employ experts to investigate and examine the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- (16) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (17) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (18) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.

- (19) To subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world.
- (20) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (21) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (22) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (23) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
- (24) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (25) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (26) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been Directors of, or who are or have been employed by, or who are serving or have served the Company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, husbands, widows, widowers, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether

- contributory or non-contributory) for the benefit of any of such persons and of their wives, husbands, widows, widowers, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained.
- (27) To purchase and maintain for any Director, other officer or auditor of the Company insurance against any liability against which the Company may lawfully insure any such persons including (without prejudice to the generality of the foregoing) any liability which by virtue of any rule of law would attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.
 - (28) To establish and contribute to any scheme for the acquisition by Trustees of shares in the Company to be held for the benefit of the Company's or any of its subsidiaries' employees or officers (including Directors) and to lend money or to assist directly or indirectly any such persons, so far as may be lawful so as to enable them to acquire shares of the Company and to establish and maintain any option or incentive scheme whereby employees or officers of the Company (including Directors) are given the opportunity of acquiring shares in the capital of the Company or any subsidiary and to formulate and carry into effect any scheme for sharing the profits of the Company with its employees or officers (including Directors) or any of them.
 - (29) To issue or grant bonds, mortgages, debentures or debenture stocks or other securities or acknowledgements therefor or in respect thereof transferable to bearer or otherwise founded or based upon the credit of the Company or secured upon all or any part of the property or undertaking of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security.
 - (30) To issue debentures or debenture stock of the Company in exchange for the debenture or debenture stock of any person, corporation or company and to secure or provide for the payment of any moneys thereunder by a mortgage of or charge upon all or any part of the undertaking or property of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security.
 - (31) To issue or grant warrants or options to acquire or subscribe for any unissued securities of the company.
 - (32) To distribute among the Members of the Company in kind any property of the Company of whatever nature.
 - (33) To purchase, sell, or deal in any foreign or other exchanges or currencies.
 - (34) To procure the Company to be registered or recognised in any part of the world.
 - (35) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

- (36) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
 - (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company.
 - (3) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
 - (4) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
5. The liability of the Members is limited.
6. The Company's share capital is £50,000 divided into 50,000 ordinary shares of £1 each.

Note: ¹ By a Special Resolution dated 16th November 1995 each of the ordinary shares of £1 each in the capital of the Company was sub-divided into 20 ordinary shares of 5p each so that the Company's share capital of £50,000 was divided into 1,000,000 ordinary shares of 5p each.

² By a Special Resolution dated 22nd November 1995 the ordinary shares of 5p each in the capital of the Company were converted into Capital shares of 5p each.

³ By a Special Resolution dated 22nd November 1995 the Company's share capital was increased from £50,000 to £6,103,020 by the creation of 25,200,000 Annuity shares of 0.01p each, 105,000,000 Zero Dividend Preference shares of 0.01p each, 71,400,000 Income shares of 5p each, and a further 49,400,000 Capital shares of 5p 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 shown opposite our respective names.

Names and addresses of Subscribers		Number of shares taken by each Subscriber
<hr/>		
1.	REEF TALBOT HOGG 50 STRATTON STREET LONDON W1X 6NX Solicitor	R.T. HOGG 1
2.	MERVYN EDWARD PATRICK ROPER 19 CRIFFEL AVENUE LONDON SW2 4AY Manager	M.E.P. ROPER 1
Total Shares taken		2

Dated the 1st day of November 1995

Witness to the above Signatures:

RICHARD HARRIS-SMITH
50 Stratton Street
London W1X 6NX

Solicitor

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

JUPITER SPLIT TRUST PLC

PRELIMINARY

1. The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 shall not apply to the Company.
2. In these presents (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:

the Act	The Companies Act 1985.
the Statutes	The Act and every other Act for the time being in force concerning companies and affecting the Company.
these presents	These Articles of Association as from time to time altered.
Office	The registered office of the Company for the time being.
Transfer Office	The place where the Register of Members is situate for the time being.
Seal	The Common Seal of the Company.
Securities Seal	An official seal kept by the Company by virtue of Section 40 of The Act.
the United Kingdom	Great Britain and Northern Ireland.
Month	Calendar Month.

Year	Calendar Year.
In writing	Written or produced by any substitute for writing or partly one and partly another.
Paid	Paid or credited as paid.
Auditors	The auditors for the time being of the Company or, in the case of joint auditors, any one of them.
Annuity shares	Annuity shares of 0.01p each in the capital of the Company.
Income shares	Income shares of 5p each in the capital of the Company.
Zero Dividend Preference shares	Zero dividend preference shares of 0.01p each in the capital of the Company.
Capital shares	Capital shares of 5p each in the capital of the Company.

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".

The expression "Employees' Share Scheme" bears the meaning ascribed thereto by Section 743 of the Act.

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

The expression "Stock Exchange Nominee" bears the meaning ascribed thereto by Section 185 of the Act.

All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents.

SHARE CAPITAL

- 3.1 The share capital of the Company as at the date of adoption of these Articles is £6,103,020 divided into 25,200,000 Annuity shares of 0.01p each, 105,000,000 Zero Dividend Preference shares of 0.01p each, 71,400,000 Income shares of 5p each, and 50,400,000 Capital shares of 5p each.
- 3.2 The holders of the Annuity shares, the Zero Dividend Preference shares, the Income shares and the Capital shares shall have respectively the following rights:
- 3.2.1 As to dividends:

The profits which the Company may determine to distribute in respect of any financial year shall be applied:

- (i) first, in paying to the holders of the Annuity shares a cumulative dividend of 6.6p (net) per share on 31st March and 30th September in each year up to and including 30th September 2004 but shall not confer the right to any dividend in respect of any period commencing after 31st October 2004 or to any further participation in the profits of the Company;
- (ii) second, in paying to the holders of the Income shares two dividends on each Income share held by them respectively, for the financial period to 31st December 1996 and for each subsequent financial year which dividends shall be paid pro rata to holdings in July of the relevant financial year and in January of the year following the relevant financial year and shall be of an aggregate amount equal to:
 - (a) all the profits of the Company for the financial year in question available for distribution by way of dividend subject to Articles 112.1 to 112.4 (sums carried to reserve before recommending dividends), having satisfied the dividend entitlements referred to in (i) above; and
 - (b) such amount as the Board may recommend to be paid as dividend, not exceeding the aggregate of all amounts that it may have carried to reserve under Articles 112.1 to 112.4 in respect of previous financial years and not previously made available for distribution under this paragraph (b);

PROVIDED THAT in the case of the financial period from 1st January to 31st October 2004 the amount payable under paragraph (b) shall be the maximum that the Board could recommend lawfully thereunder and the amounts payable under paragraph (a) and (b) shall be calculated without regard to Articles 112.1 to 112.4. Unless the Directors have been released from their obligations under Article 138, a dividend equal to the Directors' estimate of what the dividend would be in the absence of this provision and of a liquidation of the Company shall be paid on 31st October 2004.

The report of the Auditors (acting as experts and not as arbitrators) as to the amount available for dividend or for transfer to and from reserves shall subject to the Statutes be conclusive.

The holders of the Capital shares and the Zero Dividend Preference shares shall have no right to receive dividends out of the profits of the Company.

3.2.2 As to capital:

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

- (i) first, in paying to the holders of the Annuity shares an amount equal to the nominal value thereof;
- (ii) second, in paying to the holders of the Zero Dividend Preference shares an amount equal to 100p per Zero Dividend Preference share increased at the rate of 0.71961368 per cent per month commencing on 1st January 1996 (compounded on the last day of each month, the first such increase occurring on 31st January 1996 and the last on 31st October 2004) reaching a maximum payment of 213.8402438p per Zero Dividend Preference share (and which payment shall, in the case of any Zero Dividend Preference shares, be subject to a proportionate reduction to the extent that such share is not paid up in full);
- (iii) third, after payment in full of (i) and (ii) above, there shall be paid to the holders of the Income shares an amount equal to 25p per Income share, increased by 0.707547169p on 31st January 1996 and on the last day of each subsequent month up to and including 31st October 2004, plus the amount which would, had a balance sheet of the Company been prepared and adopted on the date of the Company commencing liquidation (or the date of payment if not in the course of a liquidation), have stood to the credit of Revenue Reserve (and which payment shall, in the case of any Income share, be subject to a proportionate reduction to the extent that such share is not paid up in full); and
- (iv) fourth, in paying to the holders of the Capital shares a sum equal to the aggregate of all surplus assets of the Company after making or providing for all payments due to the holders of Annuity shares, Zero Dividend Preference shares and Income shares (and which payment shall, in the case of any Capital share, be subject to a proportionate reduction to the extent such share is not paid up in full).

3.2.3 As to voting:

Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, and to the provisions of these Articles:

(i) Annuity shares:

- (a) The Annuity shares shall not entitle the holders to receive notice of or attend or vote at any General Meeting unless at the date of the notice convening the meeting the dividend on the Annuity shares is six months or more in arrear and so that for this purpose only the dividend on the Annuity shares shall be deemed to fall due half yearly on 30th September and 31st March in respect of the half years ending on the immediately preceding 30th June and the 31st December;

(b) the Company shall not, at any time prior to 1st November 2004, without the previous sanction of an Extraordinary Resolution of the holders of the Annuity shares passed at a separate General Meeting of such holders convened and held in accordance with the provisions hereinafter contained:

(1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case where such share capital ranks for dividends or other distributions in priority to the Annuity shares then in issue; or

(2) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case, where such share capital ranks *pari passu* with the Annuity shares then in issue save where the Auditors have reported to the Board within 60 days prior to the proposed transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the Report, the Annuity shares in issue (immediately thereafter) would have income cover no lower than the income cover immediately prior to such transaction and, in any event, income cover of not less than 2½ times. For the purposes of this Article 3.2.3(1)(b) "income cover" shall mean the net income of the Company after taxation and after deducting the dividend entitlements of any shares ranking in priority to the Annuity shares and dividing the result by the aggregate annual dividend entitlement of the Annuity shares. In calculating such cover, the Auditors shall:

(a) use the figures set forth in the most recently published audited accounts of the Company;

(b) assume that the further shares had been issued at the start of the financial year dealt with in such accounts;

(c) assume that the minimum gross consideration which would be received were the further shares to be issued would produce income pro rata to the income produced by the gross value of the investments and cash of the Company for the period ended on the most recently published audited accounts of the Company;

(d) make appropriate adjustments for any issue of shares (other than shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;

(e) and make such other adjustments as they consider appropriate; or

- (3) pass a resolution to reduce the capital of the Company in any manner; or
- (4) pass a resolution for the voluntary winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
- (5) pass a resolution for the capitalisation of any profits or reserves of the Company; or
- (6) change the Company's financial year end from 31st December; or
- (7) change materially or cease to pursue the investment policy of the Company.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital which is either permitted under paragraphs (1) and (2) above or which ranks for capital (but not dividends) in priority to the Annuity shares shall be deemed not to vary the class rights of the Annuity shares;

where by virtue of the provisions of Article 3.2.3(i)(a) above the holders of Annuity shares are entitled to vote, every such holder present in person at a meeting shall upon a show of hands have one vote and upon a poll every such holder present in person or by proxy shall have one vote for every Annuity share held by him.

(ii) Zero Dividend Preference shares:

- (a) Zero Dividend Preference share shall not entitle the holders to receive notice of or attend or vote at any General Meeting;
- (b) the Company shall not, without the previous sanction of an Extraordinary Resolution of the holders of the Zero Dividend Preference shares passed at a separate General Meeting of such holders convened and held in accordance with the provisions hereinafter contained:
 - (1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case, where such share capital ranks on a return of capital in priority to or pari passu with the Zero Dividend Preference shares then in issue save where the Auditors of the Company have reported to the Board within 60 days prior to the proposed transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the Report, the Zero Dividend Preference shares in issue (immediately thereafter) would have capital cover no lower than the capital cover immediately prior to such transaction and, in any event,

capital cover of not less than one time. In calculating such cover, the Auditors shall:

- (a) use the figures set forth in the most recently published audited accounts of the Company;
 - (b) assume that the further shares had been issued at the start of the financial year dealt with in such account;
 - (c) adjust the total share capital and reserves at the start and end of the said financial year by adding (in each case) the minimum gross consideration which would be received were the further shares to be issued;
 - (d) aggregate the capital entitlements of the existing Zero Dividend Preference shares derived from the said accounts and the capital entitlements of the further shares;
 - (e) calculate whether the aggregated capital entitlements from (d) above, together with those of the existing Annuity shares, would represent at the end of the said financial year more than the total share capital and reserves (as adjusted under (c) above from that shown by the said accounts);
 - (f) make appropriate adjustments for any issue of shares (other than the further shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;
 - (g) and make such other adjustments as they consider appropriate; or
- (2) pass a resolution in accordance with Article 138 releasing the directors from their obligation to convene an Extraordinary General meeting at which a resolution will be proposed requiring the Company to be wound up voluntarily; or
 - (3) pass a resolution to reduce the capital of the Company in any manner; or
 - (4) pass a resolution for the voluntary winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
 - (5) pass a resolution varying or otherwise vary the effect of Article 138.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share

capital permitted under (1) above shall be deemed not to vary the class rights of the Zero Dividend Preference shares;

- (c) notwithstanding the provisions of paragraph (a) and (b) above, in the event that all the holders of the Zero Dividend Preference shares receive an unconditional offer (whether from the Company or any other person) after 1st August 2004 and before the Extraordinary General Meeting is due to be called at which a resolution will be proposed requiring the Company to be wound-up voluntarily which offer would give such holders not later than 7 days after the date on which the said Extraordinary General Meeting is due to be called an amount in cash not less than that to which they would be entitled on a winding-up at the date of such offer, then (whether or not such offer is accepted in any particular case) the previous sanction of an Extraordinary Resolution of holders of Zero Dividend Preference shares shall not be required in any case by the Articles; and where such previous sanction is required in any case by the Statutes, each holder of Zero Dividend Preference shares present in person or by proxy and entitled to vote at such meeting who votes in favour of any resolution or resolutions recommended by the Board shall have, on a poll, such number of votes in respect of each Zero Dividend Preference share held by him so that the aggregate number of votes cast by holders of Zero Dividend Preference shares for the resolution will be three times the aggregate number of votes which are cast by all members against the resolution and each holder present in person or by proxy and entitled to vote and who votes against such resolution shall have, on a poll, one vote for every share held by him, save that these provisions relating to general meetings and class resolutions shall cease as regards any shareholder if any material term of the contract resulting from his acceptance of such offer is broken by the other party.

(iii) Income shares:

- (a) Subject to paragraph (c) below, each holder of an Income share personally present at a General Meeting shall upon a show of hands have one vote and upon a poll every such holder present in person or by proxy shall have one votes in respect of every Income share held by him;
- (b) the Company shall not, without the previous sanction of an Extraordinary Resolution of the holders of the Income shares passed at a separate General Meeting of such holders convened and held in accordance with the provisions hereinafter contained:
- (1) create or allot any further share capital, or grant any rights to subscribe for or convert any securities into shares in the Company, in each case, where such share capital ranks in priority to or pari passu with the Income shares then in issue save where the Auditors have reported to the Board within 60 days prior to the proposed

transaction that, were the new shares which would result from such transaction (the "further shares") to be issued at the date of the Report, the Income shares in issue (immediately thereafter) would have income cover no lower than the income cover immediately prior to such transaction. For the purposes of this Article 3.2.3(iii)(b) "income cover" shall mean the net income of the Company after taxation and after deducting the dividend entitlements of any shares ranking in priority to the Income shares and dividing the result by the aggregate dividend paid to the holders of the Income shares in respect of the last financial year of the Company. In calculating such cover the Auditors shall:

- (a) use the figures set forth in the most recently published audited accounts of the Company;
 - (b) assume that the further shares had been issued at the start of the financial year dealt with in such account;
 - (c) assume that the minimum gross consideration which would be received were the further shares to be issued would produce income pro rata to the income produced by the gross value of the investments and cash of the Company for the period covered by the most recently published audited accounts of the Company;
 - (d) make appropriate adjustments for any issue of shares (other than shares) which have been made since the start of the said financial year or will have been made by or at the time the further shares are issued;
 - (e) and make such other adjustments as they consider appropriate; or
- (2) pass a resolution in accordance with Article 138 releasing the directors from their obligation to convene an Extraordinary General Meeting at which a resolution will be proposed requiring the Company to be wound-up voluntarily; or
 - (3) pass a resolution to reduce the capital of the Company in any manner; or
 - (4) pass a resolution for the voluntary winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
 - (5) pass a resolution for the capitalisation of any profits or reserves of the Company; or

- (6) change the Company's financial year end from 31st December; or
- (7) pass a resolution varying or otherwise vary the effect of Article 138.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital permitted under paragraph (1) above shall be deemed not to vary the class rights of the Income shares;

- (c) notwithstanding the provisions of paragraphs (a) and (b) above, in the event that all the holders of the Income shares receive an unconditional offer (whether from the Company or any other person) after 1st August 2004 and before the Extraordinary General Meeting is due to be called at which a resolution will be proposed requiring the Company to be wound-up voluntarily, which offer would give such holders not later than 7 days after the date on which the said Extraordinary General Meeting is due to be called an amount in cash not less than that to which they would be entitled on a winding-up at the date of such offer, then (whether or not such offer is accepted in any particular case) holders of such shares shall not thereafter be entitled to vote at any General Meeting and the previous sanction of an Extraordinary Resolution of holders of Income shares shall not be required in any case by the Articles; and where such previous sanction is required in any case by the Statutes, each holder of such Income shares present in person or by proxy and entitled to vote at such meeting who votes in favour of any resolutions recommended by the Board, shall have, on a poll, such number of votes in respect of each Income share held by him so that the aggregate number of votes cast by holders of Income shares for the resolution will be three times the aggregate number of votes which are cast by all members against the resolution and each holder present in person or by proxy and entitled to vote and who votes against such resolution shall have, on a poll, one vote for every share held by him, save that these provisions relating to general meetings and class resolutions shall cease as regards any shareholder if any material term of the contract resulting from his acceptance of such offer is broken by the other party.

(iv) Capital shares:

- (a) Each holder of a Capital share personally present at a General Meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy shall have 17 votes in respect of every Capital share held by him.

(b) the Company shall not, without the previous sanction of an Extraordinary Resolution of the holders of the Capital Shares passed at a separate General Meeting of such holders convened and held in accordance with the provisions hereinafter contained:

- (1) pass a resolution in accordance with Article 138 releasing the directors from their obligation to convene an Extraordinary General Meeting at which a resolution will be proposed requiring the Company to be wound-up voluntarily; or
- (2) pass a resolution to reduce the capital of the Company in any manner; or
- (3) pass a resolution for the voluntary winding-up of the Company, such winding-up to take effect prior to 31st October 2004; or
- (4) change the Company's financial year end from 31st December; or
- (5) pass a resolution varying or otherwise vary the effect of Article 138.

For the avoidance of doubt it is hereby confirmed that the creation or allotment of further share capital or the grant of rights to subscribe for or convert any securities into share capital shall be deemed not to vary the class rights of the Capital shares.

VARIATION OF RIGHTS

4. Whenever the share capital of the Company is divided into different classes of shares the special rights attached to any class may, subject to the provisions of the Statutes and of these presents, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but that at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll, and save as otherwise provided in these Articles, have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

5. The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATIONS OF SHARE CAPITAL

6. The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. All new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
7. The Company may by Ordinary Resolution:
- 7.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - 7.2 cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;
 - 7.3 sub-divide its shares, or any of them, into shares of a smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.
- 8.1 Subject to the provisions of the Statutes and subject to paragraph 8.2 of this Article 8 the Company may purchase any of its own shares (including any redeemable shares) provided that if at any time the capital of the Company shall include a class or classes of convertible shares any such purchase shall have been sanctioned by an Extraordinary Resolution passed at a separate class meeting of the holders of each class of convertible shares.
- 8.2 In relation to the redemption of a redeemable share:
- 8.2.1 purchases will be limited to a maximum price which, in the case of purchases through the market or by tender, will not exceed the average of the middle market quotations taken from the London Stock Exchange Official List for the 10 business days before the purchase is made or in the case of a purchase through the market, at the market price, provided that it is not more than 5% above such average; and
 - 8.2.2 if purchases are by tender, tenders will be available to all shareholders alike.
9. The Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any incidental authorisation and consent required by law.

SHARES

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether as regards dividend, return of capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.
11. Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.
12. The Company may exercise the power of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.
13. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interests in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

15. Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a Stock Exchange Nominee.
16. In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of joint holders shall be sufficient delivery to all.
17. Any person (subject as aforesaid) whose name is entered in the Register of Members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within fourteen days after lodgment of a transfer or (in the case of a transfer of partly-paid shares) within two months after lodgment of a transfer.

18. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
- 19.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 19.2 If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify the Directors may, if they think fit, comply with such request.
- 19.3 If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit, but no other charge shall be made by the Company for the issue of a replacement certificate.
- 19.4 In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

CALLS ON SHARES

20. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.
21. Each member shall (subject to receiving at least fourteen days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.
22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 15 per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In cases of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.
25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 17 per cent. per annum) as the member paying such sum and the Directors may agree.

FORFEITURE AND LIEN

26. If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.
27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.
28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
29. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.
30. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 15 per cent. per annum (or such lower rate as the Directors may determine) from the date of the forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without an allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.
31. The Company shall have a first and paramount lien on every share not being a fully paid share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have

a first and paramount lien on every share (not being a fully paid share) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
33. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are then payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.
34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by an irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing in all usual or common forms or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.
36. The registration of transfers may be suspended at such times and for such periods as the Director may from time to time determine and either generally or in respect of any class of shares. The Register of Members shall not be closed for more than thirty days in any year.

37. The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully paid shares) provided that where such shares are admitted to the Official List of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Directors may also refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
38. The Directors may decline to recognise any instrument of transfer unless the instrument or transfer is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). In the case of a transfer by a Stock Exchange Nominee the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.
39. All instruments of transfer which are registered may be retained by the Company.
40. No fee will be charged by the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.
41. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:
- 41.1 the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 41.2 nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
- 41.3 references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

42. In case of the death of a shareholder, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.
43. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of the law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer executed by such member.
44. Save as otherwise provided by or in accordance with these presents, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of the law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share.

UNTRACED SHAREHOLDERS

- 45.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and provided that:
- 45.1.1 during the period of 12 years prior to the date of the publication of the advertisements referred to in paragraph 45.1.2 below (or, if published on different dates, the earlier thereof) all warrants and cheques in respect of the shares in question sent in the manner authorised by these presents have remained uncashed (provided always that no less than three dividends shall have been paid by the Company during such period); and
- 45.1.2 the Company shall on expiry of the said period of 12 years have inserted advertisements, both in a national daily newspaper and in a newspaper circulating in the area of the address at which service of notices upon such member or other person may be effected in accordance with these presents, giving notice of its intention to sell the said shares; and
- 45.1.3 during the said period of 12 years and the period of three months following the publication of the said advertisements the Company shall have received indication neither of the whereabouts nor of the existence of such member or person.

- 45.2 To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

GENERAL MEETINGS

46. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
47. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

48. An Annual General Meeting and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents entitled to receive such notices from the Company. Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:
- 48.1 in the case of an Annual General Meeting by all the members entitled to attend and vote thereat: and
- 48.2 in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

- 49.1 Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- 49.2 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 49.3 In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business and, if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.
50. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
- 50.1 declaring dividends;
 - 50.2 receiving and/or adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
 - 50.3 appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
 - 50.4 re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
 - 50.5 fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

PROCEEDINGS AT GENERAL MEETINGS

51. The Chairman of the Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.
52. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.
53. If within five minutes from the time appointed for a General Meeting (or such longer intervals as the chairman of the meeting may think fit to allow) a quorum is not present the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the

adjourned meeting any two members present in person or by proxy shall be a quorum.

54. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.
55. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
56. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendments thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
57. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
 - 57.1 the chairman of the meeting; or
 - 57.2 not less than three members present in person or by proxy and entitled to vote; or
 - 57.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - 57.4 a member or members present in person or by proxy and holding shares in the Company 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.
58. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and, if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

59. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.
60. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

61. Subject to any special rights or restrictions as to voting attached by or in accordance with these presents to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.
62. 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 for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the share.
63. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.
- 64.1 No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.
- 64.2 Where, in respect of any shares of the Company, any holder or any other person appearing to be interested in such shares held by a member has been issued with a notice pursuant to section 212 of the Act (in this Article called a "statutory notice") and has failed in relation to any shares (the "default shares") to comply with the statutory notice and to give the Company the information required by such notice within the prescribed period from the date of the statutory notice, then the Board may serve on the holder of such default shares a notice (in this Article called a "disenfranchisement notice") whereupon the following sanctions shall apply:
- 64.2.1 such holder shall not with effect from the service of the disenfranchisement notice be entitled in respect of the default shares to be present or to vote (either in person or by representative or by proxy)

either at any general meeting or at any separate general meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

64.2.2 where such shares represent not less than 0.25 per cent. in nominal value of the issued shares of their class:

- (a) any dividend or other moneys payable in respect of the default shares shall be withheld by the Company which shall not be under any obligation to pay interest on it; and
- (b) no transfer, other than an excepted transfer, of any shares held by the holder shall be registered unless:
 - (i) the holder is not himself in default as regards supplying the information required; and
 - (ii) the holder proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

64.3 Any new shares in the Company issued in right of default shares shall be subject to the same sanctions as apply to the default shares provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled) and provided further that Article 64.2 shall apply to the exclusion of this Article if the Company gives a separate notice under section 212 of the Act in relation to the new shares.

64.4 The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the default shares a notice in writing to that effect (in this Article called a "withdrawal notice"). and a disenfranchisement notice shall be deemed to have been withdrawn at the end of the period of 7 days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the statutory notice in respect of all the shares to which the disenfranchisement notice related.

64.5 Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn or the shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 64.2 and 64.3 shall continue to apply.

64.6 Where, on the basis of information obtained from a holder in respect of any share held by him, the Company issues a notice pursuant to section 212 of the Act to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Board serves a disenfranchisement notice upon such person, it shall at the same time send a copy of the disenfranchisement notice to the holder of such share, but the accidental omission to do so, or the non-receipt by the holder of the copy, shall not invalidate or otherwise affect the application of Articles 64.2 and 64.3.

64.7 For the purpose of this Article:

64.7.1 a person other than the holder of a share shall be treated as appearing to be interested in that share if the holder has informed the Company that the person is, or may be, so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 212 of the Act) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share;

64.7.2 "interested" shall be construed as it is for the purpose of section 212 of the Act;

64.7.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards 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;

64.7.4 the "prescribed period" means:

- (a) in a case where the default shares represent at least 0.25 per cent. of their class, fourteen days; and
- (b) in any other case, twenty-eight days;

64.7.5 an "excepted transfer" means, in relation to any share held by a holder:

- (a) a transfer pursuant to acceptance of an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them; or
- (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
- (c) a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the share to a person who is unconnected with the holder and with any other person appearing to be interested in the share.

64.8 Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 216 of the Act and in connection with such an application or intended application or otherwise to require information on shorter notice than the minimum of twenty-eight days prescribed by this Article.

65. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
66. On a poll votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
67. A proxy need not be a member of the Company.
68. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:
 - 68.1 in the case of an individual shall be signed by the appointor or his attorney; and
 - 68.2 in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument or proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.

69. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Transfer Office) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any subsequent meeting to which it relates.
70. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.
71. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

72. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

73. Subject as hereinafter provided, the Directors shall not be fewer than two nor more than ten in number. The Company may by Ordinary Resolution from time to time vary the minimum number and/or maximum number of Directors.
74. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless 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.
75. The Directors shall be entitled to remuneration for their services as Directors, and such remuneration shall be deemed to accrue from day to day. The amount thereof shall be divided amongst the Directors in such manner as they shall agree or failing agreement equally. The amount of such remuneration shall be determined by the Directors but, until otherwise resolved by the Company by Ordinary Resolution, shall not exceed in aggregate £110,000 per annum.
76. Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.
77. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.
78. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits or allowances to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such pensions or other benefits or allowances to contribute to any scheme or fund or to pay premiums.
79. Subject to the provisions of the Act and provided that he has disclosed to the Board the nature of any interest of his in accordance with Article 80, a Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place or profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be

remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

80. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement 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 or arrangement 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 so interested. For the purposes of this Article, a general notice to the Board by a director to the effect that:

80.1 he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or

80.2 he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him.

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

- 81.1 The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including where considered appropriate the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.
- 81.2 The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 81.3 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.
82. The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

83. The provisions of Section 293 of the Act (which regulate the appointment and continuation in office of Directors who have attained the age of seventy) shall not apply to the Company.
84. The office of a director shall be vacated in any of the following events namely:
- 84.1 if he shall become prohibited by law from acting as a Director;
 - 84.2 if he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;
 - 84.3 if he shall have a receiving order made against him or shall compound with his creditors generally;
 - 84.4 if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
 - 84.5 if he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
 - 84.6 if he shall be absent from meetings of the Directors continuously for six months without sanction of the Directors and the Directors resolve that his office be vacated.
85. At each Annual General Meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.
86. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
87. The Company at the meeting at which a Director retires under any provision of these presents may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:

- 87.1 where at such meeting it is expressly resolved to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- 87.2 where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
- 87.3 where the default is due to the moving of a resolution in contravention of the next following Article;
- 87.4 where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

- 88. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it and any resolution moved in contravention of this provision shall be void.
- 89. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.
- 90. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these presents or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.
- 91. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these presents. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

- 92.1 Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- 92.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.
- 92.3 An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these presents.
- 92.4 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

MEETINGS AND PROCEEDINGS OF DIRECTORS

93. Subject to the provisions of these presents, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive.
94. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

95. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.
- 96.1 Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has (together with any interest of any person connected with him, as defined by Section 346 of the Companies Act 1985) any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 96.2 Subject to the provisions of the Statutes, a Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
- 96.2.1 the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
 - 96.2.2 the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - 96.2.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
 - 96.2.4 any contract, arrangement, transaction or other proposal concerning any other company in which he (and any persons connected with him) is interested directly or indirectly and whether as an officer or shareholder or otherwise howsoever provided that he does not hold an interest (as that term is used in Part VI of the Act) in one per cent. or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances);
 - 96.2.5 any contract arrangement, transaction or other proposal for the benefit of employees of the Company or any of its subsidiaries under which he benefits in a similar manner to employees and which does not accord to any Director as such any privilege or advantage not generally accorded to employees as to whom any such contract or arrangement transaction or other proposal relates; and
 - 96.2.6 any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of any policy of insurance, which the Company proposes to maintain or purchase for the benefit of the Directors or for the benefit of persons, including the Directors.
- 96.3 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or

employments with the Company or any company in which the Company is interested such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under any other provision of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- 96.4 If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of such Director has not been fairly disclosed.
- 96.5 The Company may by Ordinary Resolution ratify any transaction not duly authorised by reason of a contravention of this Article.
97. The continuing Directors may act notwithstanding any vacancies but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents the continuing Directors or Director may act for the purpose of filling such vacancies or of summoning General Meetings but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.
- 98.1 The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.
- 98.2 If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.
99. A resolution in writing signed by all the Directors for the time being in the United Kingdom shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.
100. The Directors may delegate any of their powers or discretions to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee but so that (a) the number of co-opted members shall be less than one-half of the total number of members of the committee; and (b) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.
101. The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these presents

regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article.

102. All acts done by any meeting of Directors or of any such committee or by any person acting as a Director or as a member of any such committee shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid or that any such persons were disqualified 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 or member of the committee and had been entitled to vote.

BORROWING POWERS

- 103.1 Subject as hereinafter provided and to the provisions of the Statutes the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 103.2 The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure (so far, as regards subsidiaries, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and its subsidiaries for the time being) and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an Ordinary Resolution of the Company exceed an amount equal to the aggregate of the amount paid up on the share capital of the Company for the time being issued and the amounts standing to the credit of reserves of the Group (including any share premium account, capital redemption reserve and Capital Reserve and the amounts standing to the credit of the profit and loss account) all as shown by the latest audited Balance Sheet of the Group but adjusted as may be necessary in respect of any variation in the paid-up share capital of the Company and the reserves of the Group (including as aforesaid) since the date of such Balance Sheet and further adjusted as the Auditors shall consider appropriate, and until the first audited Balance Sheet of the Group shall have been prepared the borrowing limit for the purposes of this Article shall be £10,000,000.

- 103.3 For the purpose of the foregoing limit the following provisions shall apply:

103.3.1 there shall be deemed subject as hereinafter provided to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):

- (a) the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;
- (b) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any

bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;

- (c) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary of the Company not for the time being beneficially owned by other members of the Group;
- (d) the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (other than shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed or wholly or partly secured by any member of the Group;
- (e) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account.

103.3.2 moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys failing to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period except to the extent so applied themselves be taken into account.

103.3.3 moneys borrowed by a partly-owned subsidiary and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly-owned subsidiary by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion; for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary which is not attributable to the Company.

103.4 No person dealing with the Company or any of its subsidiaries shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

104. The business and affairs of the Company shall be managed by the Directors who may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these presents to the provisions of the Statutes and to such regulations being inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general

powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

105. The Directors may establish any local boards or agencies for managing any of the affairs of the Company either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
106. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
107. Subject to and to the extent permitted by the Statutes the Company or the Directors on behalf of the Company may cause to be kept in any territory a branch register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.
108. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

SECRETARY

109. The Secretary shall be appointed by the Directors on such terms and for such period as they think fit. Any Secretary so appointed may at any time be removed from office by the Directors but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they think fit one or more Assistant Secretaries.

THE SEAL

- 110.1 The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.

110.2 Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method of system of mechanical signature.

110.3 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal shall not require to be signed.

AUTHENTICATION OF DOCUMENTS

111. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts and, where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

RESERVES

112.1 Subject to the statutes, the Directors, before recommending any dividend, may from time to time, but without being under any obligation to do so, reserve or retain out of the profits of the Company available for dividend such sums as, in their judgment, are necessary or expedient to be, at the discretion of the Directors, applied in equalising dividends or providing against losses on or depreciation in value of any property or investments or securities of the Company, or to be used as a sinking fund to pay off any loan capital, or for the purpose of strengthening the credit and position of the Company.

112.2 If the Company shall issue shares at a premium whether for cash or otherwise, the Directors shall transfer a sum equal to the aggregate amount or value thereof to an account to be called the "share premium account" and moneys standing to the credit of such account shall not be applied in payment of dividends and generally shall (except as otherwise authorised by the Statutes) be treated as if they formed part of the paid up capital of the Company. The share premium account may be applied to any purpose authorised by the Statutes and by these presents.

112.3 It shall not be necessary to invest the moneys forming the reserves in any distinct securities, but the same may be invested with other moneys of the Company, a proper account being kept thereof.

- 112.4 The amount payable to the holders of Zero Dividend Preference shares pursuant to Article 3.2.2(ii) shall be charged to the capital reserve of the Company and, to the extent that such reserve is insufficient, to the capital account of the Company.

DIVIDENDS

113. The Company may by Ordinary Resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company but no such dividend shall exceed the amount recommended by the Directors.
114. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.
115. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.
- 116.1 No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.
- 116.2.1 Any surplus over the book value derived from the sale or realisation of any capital asset and any other sums representing capital profits within the meaning of Section 265 of the Act or other accretions to capital assets including in particular any sums resulting from the writing up of the book values of any capital assets shall not be available for dividend or any other distribution within the meaning ascribed thereto by Section 263(2) of the Act.
- 116.2.2 Any such sums as are referred to in paragraph 116.2.1 above shall either be carried to the credit of "the Capital Reserve" or applied in providing for depreciation or contingencies. Any losses realised on the sale or realisation of any capital assets and any taxation arising in consequence of any such sale or realisation may be carried to the debit of the Capital Reserve, except in so far as the Board shall in their discretion decide to make good the same out of other funds of the Company. The Capital Reserve shall be treated for all purposes as capital moneys.
117. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

118. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
- 119.1 The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debt, liabilities or engagements in respect of which the lien exists.
- 119.2 The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
120. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if so or to the extent that the same is accepted as such or acted upon by the Company.
121. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.
122. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
123. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
124. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

125. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

CAPITALISATION OF PROFITS AND RESERVES

126. The Directors may with the sanction of an Ordinary Resolution of the Company capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Ordinary shares on the Register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) in proportion to their then holdings of Ordinary shares and applying such sum on their behalf in paying up in full unissued Ordinary shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment any distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

ACCOUNTS

127. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.
128. A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) shall not less than twenty-one days before the date of the meeting be sent to every member of and every holder of debenture of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these presents. Provided that this Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person of whose address the Company is not aware but any member or holder of debentures to whom a copy of these documents has not been sent shall be

entitled to receive a copy free of charge on application at the Office. If all or any of the shares or debentures of the Company shall for the time being be listed or dealt in on the London Stock Exchange there shall be forwarded to the appropriate officer of the London Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITORS

129. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there were some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently become disqualified.
130. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

131. Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a pre paid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
132. Any notice given to that one of the joint holders of a share whose name stands first in the register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.
133. A person entitled to a share in consequence of the death or bankruptcy of a member upon supply to the Company of such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been entitled, and such service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt or in liquidation and whether or not the Company has notice of his death or bankruptcy or liquidation be deemed to have

been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

134. In any case where the registered address of a member, or an address supplied pursuant to Article 133 by a person (in this Article called a "transmittee") entitled to a share upon the death or bankruptcy of a member, appears to the Directors to be incorrect or out of date, such member or transmittee shall, if the Directors so resolve, be treated for the purposes of these presents as if he had no registered address, or as the case may be, had failed to supply an address pursuant to Article 133, provided that the Directors shall not so resolve unless on at least two consecutive occasions dividend warrants sent to such member or transmittee through the post to his registered address or to the address supplied pursuant to Article 133 have been returned undelivered by the postal authorities or have been left uncashed.
135. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.
136. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.
137. Nothing in any of the preceding six Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

DURATION AND WINDING UP

138. On 31st October 2004 or, if that is not a business day, on the preceding business day, the Directors shall convene an Extraordinary General Meeting of the Company at which a special resolution will be proposed pursuant to Section 84 of the Insolvency Act 1986 (or any statutory amendment or modification thereof) requiring the Company to be wound-up voluntarily, unless they have earlier been released from their obligation to do so by a special resolution of the Company, such special resolution having been passed not earlier than 1st August 2004.
139. At any General Meeting called pursuant to Article 138 to consider a resolution to wind-up the Company voluntarily, each holder of Annuity shares, Income shares or Capital shares present in person or by proxy and entitled to vote at such meeting who votes in favour of such resolution and, if there is also proposed a resolution to sanction any arrangement under Section 110 of the Insolvency Act 1986 then as long as this provides for the holders of the Zero Dividend shares and the Income shares to receive their entitlement on such winding-up in cash (ignoring any option any of these may be given to elect to receive their entitlement otherwise than in cash) that resolution, shall have, on a poll, such number of votes in respect of each such share held by him so that the aggregate number of votes cast by the holders of all shares in favour of the resolutions shall be three times the aggregate number of votes which are cast by all members against the resolutions and each holder present in person or by proxy and entitled to vote

and who votes against such resolutions shall have, on a poll, one vote for every share held by him.

WINDING-UP

140. If the Company shall be wound-up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of an Extraordinary Resolution, divide amongst the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of member. The Liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit and the liquidation of the Company may be closed and the Company dissolved, but so that no contributor shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

141. Subject to the provisions of and so far as may be consistent with the Statutes every Director, Auditor, Secretary, or other officer of the Company shall be entitled to be indemnified out of the assets of the Company and the Company may purchase and maintain at the expense of the Company for the benefit of such officer of the Company insurance against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.