

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

PHYTOPHARM PLC



At an extraordinary general meeting of the Company duly convened and held at 25-31 Moorgate, London EC2R 6AR on 18 April 1996 the following resolution was duly passed as a special resolution:

1. That:

- (A) the deed of variation made between Ethical Holdings PLC, Phytotech Limited and the Company dated 1 April 1996 ("the Deed of Variation") be and is hereby approved and ratified; and
- (B) the directors be and are hereby 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, grant options over, offer or otherwise deal with or dispose of relevant securities (within the meaning of Section 80(2) of the Act) of the Company up to an aggregate nominal amount of £28,800 to such persons and at such times and on such terms as they think proper during the period commencing on the date this resolution is passed and expiring at the conclusion of the first annual general meeting of the Company; and
- (C) the directors be and are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in Section 94 of the Act) for cash pursuant to the authority conferred on them by paragraph (B) above for the purposes of Section 80 of the Act as if Section 89(1) of the Act did not apply to such allotment, provided that this power is limited to the allotment of up to 28,800 ordinary shares of £1 each in the capital of the Company pursuant to the Deed of Variation; and so that this power shall expire at the conclusion of the first annual general meeting of the Company; and
- (D) conditionally on the placing agreement ("the Placing Agreement") to be entered into by the Company, the directors, the shareholders of the

Company and Close Brothers Corporate Finance Limited becoming unconditional in all respects and not being terminated prior the admission of the ordinary shares in the capital of the Company issued and now being issued to the Official List of the London Stock Exchange Limited ("Admission") and Admission becoming effective not later than 9.00am on 2 May, 1996:

- (i) each ordinary share of £1 each in the capital of the Company be sub-divided into 100 ordinary shares of 1p each;
- (ii) to the exclusion of any previous authority conferred on the Directors under section 80 of the Companies Act 1985 ("the Act") other than pursuant to the resolution numbered (B) above, the Directors be and are hereby generally and unconditionally authorised in accordance with section 80 of the Act to exercise all the powers of the Company to allot, grant options over, offer or otherwise deal with or dispose of relevant securities (within the meaning of section 80(2) of the Act) of the Company up to an aggregate nominal amount of £ 20,444,000 to such persons and at such times and on such terms as they think proper during the period commencing on the date this resolution is passed and expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the date falling 15 months after the date this resolution is passed or at the conclusion of the first annual general meeting of the Company, whichever shall be the earlier, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot or otherwise deal with relevant securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired;
- (iii) the Directors be and are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in section 94 of the Act) for cash pursuant to the authority conferred on them by paragraph (C) above for the purposes of section 80 of the Act as if section 89(1) of the Act did not apply to such allotment, provided that this power is limited to:
  - (a) the allotment of up to 7,428,571 ordinary shares of 1p each in the capital of the Company in connection with the placing under the Placing Agreement;
  - (b) the allotment of equity securities in connection with any offer made by way of rights issue or other pre-emptive offer, where that offer, so far as it comprises the allotment of equity securities of the Company for cash, is made to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to the respective number of ordinary shares in the capital of the Company held or deemed to be held by them on

the record date for the offer and to the holders of other equity securities of any class in accordance with the rights attaching thereto, subject only to such exceptions, exclusions or other arrangements as the Directors may in their opinion consider expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements, of any recognised regulatory body or stock exchange in any territory or otherwise; and

- (c) the allotment (otherwise than pursuant to sub-paragraphs (a) or (b) above) of equity securities having an aggregate nominal value of £ 15 444 . 29 ;

and so that this power, unless previously renewed or revoked by the Company in general meeting, shall expire on the date falling 15 months after the date this resolution is passed or at the end of the first annual general meeting of the Company, whichever shall be the earlier, but shall extend to the making, before such expiry, of any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired and so that all previous powers of the Directors pursuant to section 95 of the Act other than pursuant to the resolution numbered (C) above are revoked in so far as the same have not been exercised; and

- (iv) (a) the memorandum of association of the Company be and is hereby amended by the insertion of new clauses 4(B), (C), (T) and (V) and the consequential re-numbering of clauses 4(B) to 4(Q) as clauses 4(D) to 4(S), of clause 4(R) as 4(V) and of clause 4(S) as 4(W), all of which amendments are incorporated in a print of the Company's memorandum of association produced to the meeting and initialled for the purpose of identification by the chairman of the meeting; and
- (b) the regulations contained in the document produced to the meeting and initialled for the purpose of identification by the chairman of the meeting be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.



Director

MEMORANDUM AND ARTICLES OF ASSOCIATION

PHYTOPHARM PLC

No. 3131723

Incorporated 28th November 1995

Nicholson Graham & Jones  
25-31 Moorgate  
London EC2R 6AR



THE COMPANIES ACTS 1985 to 1989

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A PUBLIC COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION

of

PHYTOPHARM PLC

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1. The name of the Company is PHYTOPHARM PLC.\*
2. The Company is to be a public company.
3. The Registered Office of the Company will be situated in England and Wales.
4. The objects for which the Company is established are :-
  - (A) To carry on business as a general commercial company.
  - (B) To carry on the business of a holding company and to acquire by purchase, exchange, subscription or otherwise and to hold the whole or any part of the shares, stocks, debentures and other securities and interests of and in any corporations, companies, associations or firms for the time being engaged, concerned or interested in any industry, trade or business and to promote the beneficial co-operation of any such companies, associations or firms as well with one another as with the Company and to exercise in respect of such investments and holdings all the rights, powers and privileges of ownership including the right to vote thereon.
  - (C) (i) To carry on all or any of the businesses of importers and

\* By a special resolution passed on 26th February 1996 the Company's name was changed from Lawnhale PLC to Phytopharm PLC

exporters and manufacturers of and dealers in human and veterinary medicines and prophylactics, animal feeding stuffs, nutritional supplements and additions, salts, acids, alkalis, drugs, pharmaceutical, chemical and surgical compounds, materials, substances and instruments, dressings, syringes and accessories, disinfectants, fertilisers, pesticides, cleaning materials, chemists sundries, agricultural sprays, horticultural and agricultural chemicals and requisites.

- (ii) To carry on the business of chemists, pharmacists, druggists, drysalter, oil and colour men, importers, exporters, and manufacturers of and dealers in pharmaceutical, medicinal, chemical, industrial, and other preparations and articles, herbal remedies, fertilisers, compounds, cements, oils, paints, resins, pigments and varnishes, drugs, dyeware, paint and colour grinders, makers of and dealers in proprietary articles of all kinds.
- (D) To carry on any other business which in the opinion of the Company, may be capable of being conveniently or profitably carried on in connection with or subsidiary to any other business of the Company and is calculated to enhance the value of the Company's property.
- (E) To purchase or by any other means acquire freehold, leasehold or any other property for any estate or interest whatever, movable or immovable or any interest in such property, and to sell, lease, let on hire, develop such property, or otherwise turn the same to the advantage of the Company.
- (F) To apply for, register or by other means acquire any patents, patent rights, brevets d'invention, licences, trademarks, concessions and inventions and to use and turn to account the same or to develop, sell or assign the same or grant licences or privileges in respect thereof or otherwise turn the same to the advantage of the Company.

- (G) To build, reconstruct or generally maintain buildings and works of all kinds, whether or not these are situate on the property of the Company.
- (H) To invest and deal with the monies of the Company in such shares or upon such securities and in such manner as from time to time may be determined.
- (I) To enter into arrangements for joint workings in business or amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Company or which is capable of being carried on so as directly or indirectly to benefit the Company.
- (J) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests, or possessed of property suitable for the purposes of the Company.
- (K) To sell, improve, manage, develop, turn to account, let on rent or royalty or share of profits or otherwise, grant licences or easements or other rights in or over, or in any other manner deal with or dispose of the undertaking and all of any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (L) To subscribe for, take, purchase or otherwise acquire either for cash, shares or debentures in this Company or any other consideration any other company or business which, in the opinion of the Company, may be carried on so as directly or indirectly to benefit the Company.

- (M) To sell or otherwise dispose of the whole or any part of the business or property of the Company for any consideration, shares or debentures as the Company may think fit.
- (N) To lend and advance money or give credit on any terms and with or without security to any company, firm or person (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any company, firm or person (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (O) To borrow or 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.
- (P) 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.
- (Q) 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.

- (R) To support and subscribe to any funds and to subscribe to or assist in the promotion of any charitable, benevolent or public purpose or object for the benefit of the Company or its employees, directors or other officers past or present and to grant pensions to such persons or their dependants.
- (S) To distribute among the members of the Company in kind any property of the Company of whatever nature.
- (T) To purchase and/or maintain for any director, officer or employee of the Company or any company which is or was a subsidiary of or otherwise associated with the company insurance against any liability which by virtue of any 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 or any such other company.
- (U) To pay all or any expenses in connection with the promotion, formation and incorporation of the Company, or to contract with any company, firm or person to pay the same, and to pay commission to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (V) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.
- (W) 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.

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 any sub-clause or by reference to or interference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.

5. The liability of the Members is limited.
6. The share capital of the Company is £50,000 divided into 50,000 shares of £1.00 each.\*

\* By a resolution passed on 26th February 1996, the authorised share capital of the Company was increased to £500,000 divided into 500,000 shares of £1.00 each.

By a resolution passed on 18th April 1996 conditionally on a placing agreement to be made between the Company and others becoming unconditional in all respects and not being terminated prior to admission of the ordinary shares of 1p each in the capital of the Company issued and to be issued to the Official List of the London Stock Exchange Limited ("Admission") and Admission becoming effective not later than 25th April 1996, each ordinary share of £1 in the capital of the Company was sub-divided into 100 ordinary shares of 1p each.

We, the subscribers of 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.

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NAMES AND ADDRESSES OF SUBSCRIBERS	Number of Shares taken by each Subscriber
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HALLMARK SECRETARIES LIMITED 120 East Road London N1 6AA	ONE
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HALLMARK REGISTRARS LIMITED 120 East Road London N1 6AA	ONE
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Dated the 1st November 1995

Witness to the above signatories:-

DAVID ORDISH  
120 East Road  
London N1 6AA

The Companies Acts 1985 to 1989  
A Public Company Limited by Shares

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PUBLIC COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION  
of  
PHYTOPHARM PLC

(Adopted by special resolution passed on 18th April 1996)

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PRELIMINARY

1. No regulations contained in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any such statute, shall apply as regulations or articles of the Company.

INTERPRETATION

2. In these Articles (if not inconsistent with the subject or context):

(A) The words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof

Words

Meanings

the Act

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

these Articles	these articles of association as from time to time altered
dividend	dividend and/or bonus
month	calendar month
Office	the registered office of the Company
paid up	paid up or credited as paid up
the Register	the register of members of the Company
Seal	the common seal of the Company
the Statutes	the Act and every other statute for the time being in force concerning companies and affecting the Company
the Stock Exchange	the London Stock Exchange Limited
the United Kingdom	Great Britain and Northern Ireland
year	calendar year

(B) The expressions "debenture" and "debenture-holder" shall include "debenture stock" and "debenture stockholder".

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

An act which is expressed to require the sanction of or to be effected by an "ordinary resolution" may be sanctioned by or effected by a special or extraordinary resolution.

Words importing the singular number shall include the plural and vice versa.

Words importing the masculine gender shall include the feminine gender.

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

Save as aforesaid any words or expressions defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meanings in these Articles but excluding any statutory modification thereof not in force at the date of adoption of these Articles as the articles of association of the Company.

Any reference in these Articles to any provision in any enactment shall where applicable be construed as a reference to the same as for the time being modified or re-enacted whether before or after the date hereof.

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

### SHARE CAPITAL

3. The capital of the Company at the date of adoption of these Articles as the articles of association of the Company is £500,000 divided into 50,000,000 Ordinary Shares of 1p each.

4. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued and subject to the provisions of the Statutes, any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, capital, transfer, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, failing any such determination, as the Directors may determine) and the Company may issue any shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by these Articles. Any share may be issued in certificated or uncertificated form and converted from certificated form into uncertificated form and vice versa in accordance with the Statutes or any

subordinate legislation made from time to time under the Statutes and the Directors shall have power to implement any arrangements they think fit in respect of shares in certificated form or uncertificated form and for the conversion of shares in certificated into uncertificated form and vice versa which accord with the Statutes or such subordinate legislation.

5. Subject to the provisions of the Statutes and these Articles, all unissued shares of the Company (whether forming part of the existing or any increased capital) shall be at the disposal of the Directors who may allot, grant options over, offer or otherwise deal with or dispose of them to such persons at such times and generally on such terms and conditions as they may determine but so that no share shall be issued at a discount.

6. Subject to the provisions of the Statutes and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being in issue the Company may, with the sanction of an ordinary resolution of the Company purchase its own shares including any redeemable shares. The Directors are unconditionally authorised to exercise the power of the Company to purchase its own shares (including any redeemable shares) pursuant to this Article.

7. No share in the Company (other than a share allotted in pursuance of an employees' share scheme) shall be allotted except as paid up in money or money's worth at least as to one-quarter of the nominal value of the share and whole of any premium on it.

8. The Company may exercise the powers of paying commissions conferred by the Statutes. The Company may also on any issue of shares pay such brokerage as may be lawful.

9. 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 (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles 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.

#### VARIATION OF RIGHTS

10. (A) 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, be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal amount 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 such separate general meeting all the provisions of these Articles as for the time being in force relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that (a) the necessary quorum (other than at an adjourned meeting) shall be two persons at least holding or representing by proxy one third in nominal amount of the issued shares of the class, and at an adjourned meeting shall be one person holding shares of the class in question or his proxy, (b) any holder of shares of the class present in person or by proxy may demand a poll and (c) a Director shall be entitled to notice thereof and to attend and speak thereat. 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 such class as if the shares concerned and the remaining shares of such class formed separate classes, or to any scheme for the distribution (though not in accordance with legal rights) of assets in money or in kind in or before liquidation, or to any contract for the sale or disposal of the whole or any part of the Company's property or business determining the way in which as between the several classes of shareholders the purchase considerations shall be distributed, and generally to any alteration, contract, compromise or arrangement which the persons voting thereon could, if sui juris and holding all the shares of the class, consent to or enter into, and such resolution shall be binding upon all holders of shares of the class.

(B) Save as otherwise provided in these Articles, 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 or abrogated by the



creation or issue of further shares ranking as regards participation in the profits or assets of the Company or voting in some or all respects pari passu therewith but in no respect in priority thereto, or by any reduction of the capital paid up thereon, or by any purchase by the Company of its own shares.

#### ALTERATION OF SHARE CAPITAL

11. 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, save in so far as may be otherwise provided by the terms of issue thereof, be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

12. (A) The Company may from time to time by ordinary resolution :-

- (i) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (ii) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled; and
- (iii) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association provided that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, 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.

(B) Upon any consolidation of fully paid shares into shares of larger amount, the Directors may settle any difficulty which may arise with regard thereto and in particular may as between the holders of shares so consolidated determine which shares are consolidated into each

consolidated share and in the case of any shares registered in the name of one holder (or joint holders) being consolidated with shares registered in the name of another holder (or joint holders) may make such arrangements for the allocation, acceptance or sale of the consolidated share and for the distribution to the persons entitled thereto of any monies received in respect thereof as may be thought fit and for the purpose of giving effect thereto may appoint some person to transfer the consolidated share or any fractions thereof and to receive the purchase price thereof (and any transfer executed in pursuance thereof shall be effective and after such transfer has been registered no person shall be entitled to question its validity), and may in each case where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share issue to each holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

13. The Company may by special resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by law.

#### **SHARE CERTIFICATES AND TITLE TO SHARES**

14. Title to any shares may be evidenced otherwise than by a definitive share certificate in accordance with the Statutes or any subordinate legislation made from time to time under the Statutes and the Directors shall have power to implement any arrangements they think fit for such evidencing which accord with the Statutes or such subordinate legislation. The Company shall enter on the Register, in respect

of all shares registered in the name of each holder, how many of such shares are in certificated form and uncertificated form respectively.

15. Every person whose name is entered as a member in the Register in respect of any shares of any class in certificated form (except a person in respect of whom the Company is not by law required to issue a share certificate) shall be entitled without payment to a certificate therefor, upon the issue thereof within one month after allotment (or such other period as the terms of issue shall provide), and upon the transfer thereof in the case of fully paid shares within one month after lodgement of transfer and in the case of partly paid shares within two months after lodgement of transfer and in the case of conversion thereof from uncertificated to certificated form within two months of the date of conversion. The Company shall not be bound to register more than four persons as the joint holders of a share and 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 any one of such persons shall be sufficient delivery to all.

16. Every definitive certificate for shares shall be issued under the Seal (or an official seal kept under section 40 of the Act or, in the case of shares on a branch register, an official seal for use in the relevant territory). Every such certificate 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.

17. Where a member transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

18. (A) 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 upon payment of such charge as the Directors may from time to time determine.

(B) 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 may be

specified, the Directors may, if they think fit, comply with such request upon payment of such charge as the Directors may from time to time determine.

(C) 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 (in either case) the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit. Subject as aforesaid no charge will be made for a new share certificate issued to replace one that has been damaged, lost or destroyed.

(D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders except where the certificate is alleged to be lost, stolen or destroyed.

#### CALLS ON SHARES

19. The Directors may from time to time make calls upon the members in respect of any monies unpaid on their shares and not by the terms of issue thereof made payable at fixed times. Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to or as directed by the Company at the time or times and place so specified the amount called on his shares. A call may be wholly or in part revoked or postponed as the Directors may determine.

20. 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. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A person upon whom a call is made shall remain liable for calls made upon him, notwithstanding the subsequent transfer of the shares on which the call was made.

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 twenty per cent per annum) as the Directors determine, together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses 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 a fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In the case of non-payment all the relevant provisions of these Articles 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 monies (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 call 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 as the member paying such sum and the Directors agree upon but any such advance payment shall not entitle the holder of the share to participate in respect of such amount in any dividend.

#### **FORFEITURE AND LIEN**

26. If a member fails to pay in full any call or instalment of a call on the day appointed 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 and expenses which may have accrued or been incurred.

27. The notice shall name a further day (not being less than fourteen 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 was 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 and other monies payable 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.

29. Subject to the provisions of the Statutes, a share so forfeited or surrendered shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before 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 think fit, and at any time before a sale, re-allotment or disposal 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. Any share not disposed of in accordance with this Article within a period of three years from the date of its forfeiture or surrender shall, at the expiry of that period, be cancelled in accordance with the Statutes.

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 monies 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 twenty per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but the Directors may waive payment of such interest either wholly or in part. The Directors may enforce payment, without any allowance for the value of the shares at the time of forfeiture or surrender.

31. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies payable (whether presently or not) in respect of

such share. The Company's lien on a share shall extend to all dividends or other monies payable thereon or in respect thereof. 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. Subject to the provisions of the Statutes, 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 the period for the payment or discharge of some part at least of the debt or liability in respect of which the lien exists shall have actually arrived nor until the expiration of fourteen days after a notice in writing stating and demanding payment or discharge thereof 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 cost 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 presently payable and any residue shall (subject to a like lien for debts or liabilities the period for the payment or discharge of which has not actually arrived 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 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 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 any

irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

35. Shares in uncertificated form may be transferred otherwise than by a written instrument in accordance with the Statutes or any subordinate legislation made from time to time under the Statutes and the Directors shall have power to implement any arrangements they think fit for such transfer which accord with the Statutes or such subordinate legislation.

36. Transfers of shares in certificated form may be effected by transfers in writing in any usual or common form 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 in respect thereof.

37. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares. The Register shall not be closed and registration suspended for more than thirty days in any year.

38. The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer in favour of more than four persons jointly and any transfer which is in respect of more than one class of share. The Directors may decline to register any transfer of shares which are not fully paid provided that dealings in such shares are not prevented from taking place on an open and proper basis.

39. The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is deposited at the Office, duly stamped, accompanied by the relevant share certificate(s) (except where no certificate shall have been issued therefore) 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.



40. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with or notified to the Company send to the transferee notice of the refusal.

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 cancellation thereof and any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it, and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on 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 :-

(A) 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;

(B) 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; and

(C) references herein to the destruction of any document include references to the disposal thereof in any manner.

42. No fee will be charged by the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, stop notice, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

43. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person, and the Directors may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as they may think fit.

#### **TRANSMISSION OF SHARES**

44. In the 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.

45. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or of his becoming a patient within the meaning of the Mental Health Act 1983 (or the equivalent of bankruptcy or of becoming such patient under the laws of any competent jurisdiction) 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 require to be registered himself as a holder of the share by giving to the Company notice in writing to that effect or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the event giving rise thereto had not occurred and the notice or transfer were a transfer executed by such member.

46. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (or the equivalent of bankruptcy under the laws of any competent jurisdiction) shall upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share 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, but he shall not be entitled in respect thereof 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. Provided always that the Directors may at any time give notice requiring such person to elect either to be registered himself or to transfer the share, and if within sixty days the notice is not complied with, such person (but only in the case of a share which is fully paid up) shall be deemed to have elected to be registered as a member in respect thereof and the Directors may cause him to be registered accordingly. Where two or more persons are jointly entitled by transmission to a share they shall for the purposes of these Articles be treated as if they were joint holders of such share registered in the order in which their names have been supplied to the Company or such other order as the person requiring to be registered may by notice in writing to the Company have prescribed at that time.

#### **SUSPENSION OF RIGHTS ATTACHING TO SHARES**

47. Where the holder of any shares, or any other person appearing to be interested in those shares, fails to comply within fourteen days with a notice in respect of such shares under any provisions of the Statutes regarding disclosure of interests in shares (a "statutory notice"), the Directors may give the holder of those shares a further notice (a "restriction notice") to the effect that from the service of the restriction notice those shares (the "restricted shares") shall be subject to some or all of the following restrictions:

(A) that the restricted shares shall not confer on the holder any right to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company;

(B) that the Directors may withhold payment of all or any part of any dividend (including shares issued in lieu of dividend) on the restricted shares; and

(C) that the Directors may decline to register a transfer of the restricted shares or any of them unless such a transfer is pursuant to an arm's length sale; provided that, where the restricted shares comprise less than 0.25% of the shares of any class, the restriction notice shall only impose the restrictions set out in paragraph (A) above.

48. A restriction notice shall cease to apply to any restricted shares on the expiry of seven days from the earlier of:

(A) receipt by the Company of notice that such restricted shares have been sold to a third party pursuant to an arm's length sale; and

(B) due compliance, to the satisfaction of the Company, with the statutory notice given in respect of such restricted shares.

49. Any new shares issued in right of any shares subject to a restriction notice shall also be subject to the restriction notice.

50. In this Article:

(A) "arm's length sale" means a sale of the entire interest in the shares the subject of the sale on a recognised investment exchange or on acceptance of a takeover offer or pursuant to any other sale which is in the reasonable opinion of the Directors at arm's length;

(B) a person shall be treated as appearing to be interested in any shares if information given in response to a statutory notice fails to establish the identities of those interested in the shares and if (after taking into account the information given in response to any other statutory notice) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; and

(C) reference to a person having failed to comply with a statutory notice includes reference to him having failed or refused to give all or any part of the information required by such notice and 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.

#### **SALE OF SHARES BY COMPANY**

51. The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:-

(A) for a period of twelve years during which at least three dividends have been paid by the Company no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member or to the person entitled by transmission to the share at his address on the Register or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and so far as any director of the Company at the end of such period is then aware no communication has been

received by the Company from the member or the person entitled by transmission; and

(B) the Company has at the expiration of the said period of twelve years by advertisement in a national daily newspaper and in a newspaper circulating in the area in which the address referred to in paragraph (A) of this Article is located given notice of its intention to sell such share; and

(C) the Company has not during the further period of three months after the date of publication of the advertisements (or of the later of the two advertisements to be published if they are not published on the same day) and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission; and

(D) the Company has first given notice in writing to the Quotations Department of the Stock Exchange of its intention to sell such share.

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by the transmission to such share. The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such member or other person. Monies carried to such separate account may either be employed in the business of the Company or 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

52. The Company shall comply with the provisions of the Statutes regarding the holding of annual general meetings. Subject to such provisions the annual general meeting shall be held at such time and place as may be determined by the Directors.

53. All other general meetings shall be called extraordinary general meetings. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, convene an extraordinary general meeting to be held at such time and place as the Directors may determine.

### NOTICE OF GENERAL MEETINGS

54. An annual general meeting and any 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, or a resolution appointing a person as a Director, shall be called by twenty-one days' notice in writing at least, and any other general meeting by fourteen day's notice in writing at least (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all members other than such as by or by virtue of these Articles are not entitled to receive such notices from the Company, to the Directors and to the Auditors. 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:-

(A) in the case of an annual general meeting by all the members entitled to attend and vote thereat; and

(B) 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 of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled thereto shall not invalidate the proceedings at any general meeting.

55. (A) 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 to the effect that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.

(B) In the case of an annual general meeting the notice shall also specify the meeting as such.

(C) 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.

56. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:-

- (A) declaring dividends;
- (B) considering and adopting the accounts, the reports of the Directors and Auditors and other documents required to be annexed to the accounts;
- (C) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
- (D) re-appointing the retiring Auditors unless they were last appointed otherwise than by the Company in general meeting; and
- (E) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

57. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

- (A) give to the members entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (B) circulate to the members entitled to have notice of the next annual general meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

58. Any member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

#### PROCEEDINGS AT GENERAL MEETINGS

59. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy shall be a quorum for all purposes.

60. The chairman of the Directors, failing whom a deputy chairman (to be chosen, if there be more than one, by agreement amongst them or, failing agreement, by lot) shall preside as chairman at a general meeting. If there be no such chairman or deputy chairman, or if at any meeting none be present within five minutes after the

time appointed for holding the meeting or none be 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.

61. If within fifteen minutes from the time appointed for a general meeting (or such longer period 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 the same day in the next week, at the same time and place, or to such day and at such time and place as the chairman of the meeting may determine, and if at such adjourned meeting a quorum is not present within such period from the time appointed for holding the meeting, the members present in person or by proxy, not being less than two, shall be a quorum.

62. The chairman of the meeting may at any time without the consent of the meeting adjourn any general meeting (whether or not it has commenced or a quorum is present) either sine die or to another time or place where it appears to him that the members wishing to attend cannot conveniently be accommodated in the place appointed for the meeting or that the conduct of persons present prevents or is likely to prevent the orderly continuation of business or that an adjournment is otherwise necessary so that the business of the meeting may be properly conducted. In addition the chairman of the meeting may with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at 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.

63. When a meeting is adjourned for thirty days or more or sine die not less than seven days' notice of the adjourned meeting (exclusive of the day on which it is served or deemed to be served and of the day for which it is given) shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting.



Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

64. (A) In the case of any general meeting the Directors may, notwithstanding the specification in the notice of the place of the general meeting (the "principal place") at which the chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by members and proxies entitled to attend the general meeting but excluded from the principal place under the provisions of this Article.

(B) Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance aforesaid at the other places provided that they shall operate so that any members and proxies excluded from attendance at the principal place are able to attend at one of the other places. For the purpose of all other provisions of these Articles any such meeting shall be treated as being held and taking place at the principal place.

(C) The Directors may, for the purpose of facilitating the organisation and administration of any general meeting to which such arrangements apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford to all members and proxies entitled to attend the meeting an equal opportunity of being admitted to the principal place) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in their place and the entitlement of any member or proxy to attend a general meeting at the principal place shall be subject to such arrangements as may be for the time being in force whether stated in the notice convening the meeting to apply to that meeting or notified to the members concerned subsequent to the notice convening the meeting.

65. The Directors may direct that members or proxies wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as the Directors shall consider appropriate in the circumstances and shall be entitled in their absolute discretion to refuse entry to such general meeting to any member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

66. (A) 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 either:-

- (i) the chairman of the meeting; or
- (ii) not less than two members present in person or by proxy and entitled to vote; or
- (iii) 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
- (iv) a member or members present in person or by proxy and holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring the right.

(B) A demand for a poll may be withdrawn only with the consent of the meeting. Unless a poll is so demanded (and the demand is not withdrawn) 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.

67. (A) If a poll is duly demanded (and the demand is not withdrawn) 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.

(B) A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either 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.

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

69. 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.

70. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to affect the result of the voting.

#### VOTES OF MEMBERS

71. Subject to any special rights or restrictions as to voting attached by or by virtue of these Articles to any shares or 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.

72. 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 names stand in the Register in respect of the joint holding.

73. 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 power 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 as they may require, permit such receiver

or other person to vote in person or by proxy on behalf of such member at any general meeting.

74. No member shall, unless the Directors otherwise determine, be entitled to be present or to vote at any general meeting either in person or by proxy or upon any poll or to exercise any other right conferred by membership in relation to meetings of the Company in respect of any shares held by him if any call or other sum presently payable by him to the Company in respect of those shares remains unpaid.

75. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll 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.

76. 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 his votes in the same way.

#### **PROXIES**

77. A proxy need not be a member of the Company. A member may appoint more than one proxy in respect of the same meeting or poll provided that the instrument appointing the proxy shall specify the number of shares in respect of which the proxy is appointed and only one proxy shall be appointed in respect of any one share. When two or more valid but differing appointments of proxy are executed in respect of the same share for use at the same meeting, the one which is last executed shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last executed none of them shall be treated as valid in respect of that share.

78. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may accept and:-

(A) in the case of an individual shall be signed by the appointor or by his attorney; and

(B) 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 Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

79. An instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a copy thereof authenticated in a manner acceptable to the Directors, must be left at such place or one of such places (if any) as may be specified for that purpose in or with the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting (or, if no place is so specified, at the Office) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll at which it is to be used, and in default shall not be treated as valid, but the Directors may waive compliance with this provision in their discretion. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so left for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meeting to which it relates. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its signature, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.

80. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and 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.

81. 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 or by the transfer of the share in respect of which the proxy was given provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or that no transfer as aforesaid shall have been registered by the Company

at least three hours before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

82. The Directors may at the expense of the Company send, by post or otherwise, to members instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any meeting of any class of members of the Company in such form as the Directors may determine. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons, specified in the invitations are issued at the Company's expense they shall be issued to all (and not to some only) of the members entitled to be sent notice of the meeting and to vote thereat by proxy.

#### **CORPORATIONS ACTING BY REPRESENTATIVES**

83. 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 Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

#### **DIRECTORS**

84. Subject as hereinafter provided the number of Directors shall not be less than two nor more than 12. The Company may by ordinary resolution from time to time vary the minimum or maximum number of Directors.

85. The Directors shall be entitled to ordinary remuneration at such rate as the Directors may from time to time determine, not exceeding £150,000 per annum in aggregate or such higher sum as the Company may from time to time by ordinary resolution determine, divisible in such proportions and in such manner as the Directors may from time to time determine. Such remuneration shall accrue from day to day.

86. 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 class meetings or otherwise in or about the business of the Company.

87. Any Director who is appointed to any executive office or who serves on any committee 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, bonus or otherwise (whether expressed to be exclusive or inclusive of his remuneration (if any) under these Articles) as the Directors may determine.

88. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director of the Company or any other company in which the Company is or may have been or may become interested, and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

89. A Director or intending Director (including an alternate Director) may contract or be interested in any contract or arrangement with the Company or any other company in which the Company is or may have been or may become interested and hold any office or place of profit (other than the office of auditor of the Company or any subsidiary undertaking thereof) under the Company or any such other company 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 (save as otherwise agreed) may retain for his own absolute use and benefit all emoluments, dividends, profits, benefits and other advantages accruing to him therefrom.

90. (A) Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to be 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 determine and, without prejudice to any claim for damages under any contract entered into in any particular case, may at any time revoke any such appointment.

(B) 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 terminate if he ceases to be a Director, but without prejudice to any claim by either the Company or the Director for damages for breach of any contract between him and the Company.

(C) The appointment of any Director to any other executive office shall not automatically terminate 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 termination shall be without prejudice to any claim by either the Company or the Director for damages for breach of any contract between him and the Company.

#### APPOINTMENT AND RETIREMENT OF DIRECTORS

91. Unless and until otherwise determined by the Company by ordinary resolution, either generally or in any particular case, any provisions of the Statutes which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as a Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall not apply to the Company. Where the Directors convene any general meeting of the Company at which, to the knowledge of the Directors, a person will be proposed for appointment or reappointment as a Director who at the date for which the meeting is convened will have attained the age of seventy years or more, the Directors shall give notice of his age in years in the notice convening the meeting or in any document accompanying the notice and shall give an explanation in such notice or document of why it is felt appropriate that such person be appointed or retained as a Director.

92. A Director and an alternate Director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

93. 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, provided that no Director holding any executive office and no Director appointed by the Directors since the last annual general meeting, shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. If there are fewer than three Directors who are subject to retirement by rotation, one shall retire.

94. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-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.

95. A retiring Director shall be eligible for re-election. The Company at the meeting at which a Director retires under any provisions of these Articles may by ordinary resolution fill up 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 : -

(A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

(B) where such Director has given notice in writing to the Company that he is unwilling to be re-elected; or

(C) where the default is due to the moving of a resolution in contravention of the next following Article.

96. 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 (and his alternate, if any) will continue in office without break.

97. 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 Articles 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. 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.

98. The Company may by ordinary resolution and the Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director 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.

99. 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.

100. 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 clear days before the day appointed for the meeting there shall have been left 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.

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

- (A) if he shall become prohibited by law from acting as a Director;
- (B) if he shall resign in writing under his hand left at the Office or if he shall tender his resignation and the Directors shall resolve to accept the same;
- (C) if he shall become bankrupt or shall make any arrangement with or compound with his creditors generally;
- (D) if he is, or may be, suffering from mental disorder and either :-
  - (v) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (vi) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- (E) if he shall be absent from meetings of the Directors for six months without leave (and his alternate Director, if any, shall not during such period have attended in his stead) and the Directors shall resolve that his office be vacated;
- (F) if when there are at least three Directors he shall be requested in writing by all his co-Directors to resign; or
- (G) at any annual general meeting after he shall have attained the age of sixty-five unless during the four months preceding that annual general meeting he be requested by resolution of the Directors to continue in office.; or
- (H) if any contract with the Company relating to his appointment as a Director or to any executive office is terminated by the Company, unless the Directors resolve that he should continue in office as a Director.

#### ALTERNATE DIRECTORS

102. (A) Any Director may at any time by writing under his hand deposited at the Office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors or appointing another Director as an alternate, shall have effect only upon and subject to being so approved.

(B) The appointment of an alternate Director shall terminate 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.

(C) An alternate Director shall (except when absent from the United Kingdom) be entitled to be given notice of meetings of the Directors of which his appointor is not given notice due to his appointor's absence from the United Kingdom or of which his appointor shall have requested, in writing under the appointor's hand deposited at the Office or delivered at a meeting of the Directors, that he be given notice either generally or in any particular case or cases.

(D) An alternate Director shall be entitled to attend and vote as a Director at any meeting of the Directors 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 Articles shall apply as if he were a Director. 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 committee of the Directors the provisions of paragraphs (C) and (D) of this Article shall also apply 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 Articles.

(E) An alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed an agent of or for the Director appointing him. An alternate Director may be interested in contracts, arrangements and other proposals, may be repaid expenses by the Company and shall be entitled to be indemnified by the Company to the same extent 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 proportion (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.

(F) Where an alternate Director is the alternate of more than one Director and attends a meeting of the Directors or a meeting of a committee of the Directors which the Directors have determined he is entitled to attend in his capacity as an

alternate, he shall in the absence of more than one appointor have a separate vote for each appointor for whom he is attending; if he is himself a Director his vote or votes as an alternate Director shall be in addition to his own vote as a Director.

#### PROCEEDINGS OF DIRECTORS

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

104. A Director who is unable to attend any meeting of the Directors and has not appointed an alternate Director may authorise any other Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised, in addition to his own vote. Any such authority may be in writing or by cable, telex, radiogram or telegram, which must be produced at the meeting at which the same is to be used, and left with the Secretary for filing.

105. All or any of the Directors may participate in a meeting of the Directors by any lawful means including by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other at the same time. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

106. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. For the purposes of this Article an alternate Director shall be counted in a quorum, but so that not less than two individuals shall constitute the quorum. A meeting

of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

107. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract or any other arrangement or proposed arrangement with the Company shall declare the nature and extent of his interest.

108. (A) Save as provided in this Article, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him) is to his knowledge a 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.

(B) 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:-

(i) the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or the benefit of the Company or any of its subsidiary undertakings;

(ii) the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

(iii) where the Company or any of its subsidiary undertakings is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;

(iv) another company in which he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 198 to 211 of the Act) representing one per cent or more of either any class of the equity share capital, or the voting rights, in such company;

(v) an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or

benefit not generally awarded to the employees to whom such arrangement relates; or

(vi) insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including Directors.

(C) 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 the proviso to paragraph (B)(iv) 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.

(D) If any question shall arise at any meeting 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 Director other than himself shall be final and conclusive, except in a case where the nature or extent of the interests of the Director concerned has not been fully disclosed.

109. The continuing Directors may act notwithstanding any vacancy in their number, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning general meetings of the Company, 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.

110. The Directors may elect a chairman and, if thought fit, one or more deputy chairmen and determine the period for which each is to hold office. The chairman, failing whom a deputy chairman (to be chosen, if there be more than one, by agreement amongst them or failing agreement by lot), shall preside at all meetings of the Directors, but if no chairman or deputy chairman shall have been elected, or if at any meeting none be present within five minutes after the time appointed for holding the meeting or none be willing to act, the Directors present may choose one of their number to be chairman of the meeting.

111. A resolution in writing signed by, or by the alternate Directors of, all the Directors who are or whose alternate Directors are for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors; any such resolution may be signed by an alternate Director in place of his appointor if his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability.

### **BORROWING POWERS**

112. (A) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and, subject to the provisions of section 80 of the Act, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company at general meetings of its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all monies borrowed by the Group (which expression means the Company and its subsidiary undertakings for the time being) shall not (excluding intra-Group borrowings) at any time without the previous sanction of an ordinary resolution of the Company exceed a sum equal to two and a half (2.5) times the adjusted total of capital and reserves.

(C) For the purpose of this Article:-

(i) The following shall (unless otherwise taken into account) be deemed to constitute monies borrowed:-

- (a) the principal amount outstanding in respect of any debenture notwithstanding that the same may have been issued in whole or in part for a consideration other than cash;
- (b) the principal amount outstanding in respect of any debenture of any member of the Group which is not beneficially owned within the Group;



- (c) the principal amount outstanding under any bill accepted by any member of the Group and not beneficially owned within the Group or under any acceptance credit opened on behalf of or in favour of any member of the Group other than by another member of the Group (not being an amount outstanding in respect of the purchase of goods in the ordinary course of trading;
- (d) the nominal amount of the issued and paid-up preference share capital of any subsidiary undertaking of the Company not beneficially owned within the Group;
- (e) the nominal amount of any issued share capital and the principal amount of any monies borrowed (not being issued share capital or monies borrowed beneficially owned within the Group) the redemption or repayment whereof is guaranteed or secured by the Company or by any of its subsidiary undertakings; and
- (f) any fixed or minimum premium payable on final redemption or repayment of any debentures or other monies borrowed or share capital in addition to the principal or nominal amount thereof.

(ii) Monies borrowed for the purpose of and actually applied within six months in repaying the whole or any part of other monies borrowed by the Group and for the time being outstanding shall not pending their application for such purpose be deemed to be monies borrowed.

(iii) Monies borrowed from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under the contract which is guaranteed or insured by the Export Credit Guarantees Department or any other institution or body carrying on a similar business shall be deemed not to be monies borrowed.

(D) For the purposes of this Article:-

(i) The adjusted total of capital and reserves means:-

- (a) the nominal amount of the issued and paid up or credited as paid up share capital for the time being of the Company; and

- (b) the amount standing to the credit of the consolidated reserves of the Group including share premium account and capital redemption reserve fund (if any) and the amount standing to the credit of the consolidated profit and loss account,

all as shown in a consolidation of the most recent audited balance sheets of the Company and its subsidiary undertakings available at the date the calculation falls to be made but after:-

- (a) adjusting as may be necessary in respect of any variation in such paid up share capital and reserves since the dates of such balance sheets but so far as profit and loss account is concerned only to take account of (I) any distribution (otherwise than within the Group) paid, recommended or declared and not (A) already provided for as a liability in such balance sheets or (B) being a normal preference or interim dividend payable out of profits since earned and (II) any provision made other than out of profits since earned,
- (b) excluding any sum set aside for taxation (other than deferred taxation),
- (c) excluding a sum equal to the book value of goodwill other than goodwill arising upon such consolidation (the amount of which so far as previously written off to be written back); and
- (d) deducting if not already deducted any debit balance on profit and loss account.

(ii) Share capital allotted shall be treated as issued and any share capital already called up or payable at any future date within the following twelve months shall be treated as already paid up and if the Company proposes to issue any shares for cash and the issue of such shares has been underwritten then such shares shall be deemed to have been issued and the subscription monies (including any premium) payable in respect thereof within the following twelve months shall be deemed to have been paid up.

(iii) In calculating the adjusted total of capital and reserves any adjustments may be made that the Auditors may certify in their opinion to be

appropriate, including in particular adjustments to provide for the carrying into effect of any transaction for the purposes of or in connection with which it requires to be calculated.

(iv) The certificate of the Auditors as to the amount of the adjusted total of capital and reserves at any time shall be conclusive and binding upon all concerned.

(E) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions of this Article be concerned to see or inquire whether this 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 limit hereby imposed had been or would thereby be exceeded.

#### GENERAL POWERS OF DIRECTORS

113. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and to such regulations, being not 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.

114. The Directors may delegate any of their powers to committees consisting of such person or persons (whether Directors or not) upon such terms and conditions and with such restrictions as they think fit provided that the majority of the members of the committee are Directors. Any such delegation (which may include authority to sub-delegate all or any of the powers so delegated) may be collateral with, or to the exclusion of, the powers which are the subject of the delegation (or sub-delegation). Any committees 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 and any or all of the powers so delegated may be altered, waived, withdrawn or revoked by the Directors.

115. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors (including, without limitation, provisions relating to written resolutions), so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

116. The Directors delegate any of their powers to any Director upon such terms and conditions and with such restrictions as they think fit. Any such delegation (which may include authority to sub-delegate all or any of the powers so delegated) may be collateral with, or to the exclusion of, the powers which are the subject of the delegation (or sub-delegation). Any or all of the powers so delegated may be altered, waived, withdrawn or revoked by the Directors.

117. 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 annulment or variation shall be affected thereby.

118. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such 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. The Directors may revoke or vary the

appointment but no person dealing in good faith with the Company and without notice of the revocation or variation shall be affected by it.

119. Any power of the Directors to delegate any of their powers under these Articles (and the power to sub-delegate any of such powers) shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee of the Directors.

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

121. The Directors may from time to time appoint any person to an office or employment having a designation or title including the word "Director" or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word "Director" in the designation or title of any office or employment with the Company shall not imply that the holder thereof is a Director of the Company nor shall such holder thereby be empowered in any respect to act as a Director of the Company or be deemed to be a Director for any of the purposes of these Articles or the Statutes.

122. 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 regarding the keeping of any such register.

123. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies 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 determine.

124. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the members in respect of such uncalled capital, and to sue in the name of the Company or otherwise for the recovering of monies becoming due in respect of calls so made and to give valid receipts for such monies, and the power so delegated shall subsist during the continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

125. A register of Directors' interests shall be kept in accordance with the Statutes and shall be open to the inspection of any member or holder of debentures of the Company or of any other person authorised by the Statutes between the hours 10 am and noon on each day during which the same is bound to be open for inspection pursuant to the Statutes. The register shall also be produced at the commencement of each annual general meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.

#### SECRETARY

126. (A) The Secretary shall be qualified in accordance with the provisions of the Statutes and shall be appointed by the Directors on such terms and for such period as they may think fit. The Secretary may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract between him and the Company.

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

#### THE SEAL

127. (A) The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall (subject to the provisions of paragraph (B) of this Article and to sub-Sections 185(3) and (4) of the Act) be signed by a Director and shall be countersigned by a second Director or by the Secretary or some other person appointed by the Directors for the purpose and in favour of any purchaser or other person dealing with the Company in good faith and relying thereon such signatures shall be exclusive evidence of the fact that the Seal has been properly affixed.

(B) The Directors may determine that the signature and countersignature of certificates for shares, debentures or other securities of the Company or any class thereof shall be dispensed with or affixed by some method or system of mechanical signature or that the certificates shall bear the names of the Company's issuing agents.

128. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

#### **AUTHENTICATION OF DOCUMENTS**

129. 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 of the Directors, 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 of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company in good faith and relying thereon that such resolution has been duly passed or, as the case may be, that such minutes are or extract is true and accurate record of proceedings at a duly constituted meeting.

## DIVIDENDS

130. The Company may by ordinary resolution declare dividends and fix the time for payment thereof, but no dividend shall be payable except out of profits of the Company available for distribution in accordance with the Statutes or in excess of the amount, or at any earlier date than, recommended by the Directors.

131. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, dividends may be declared or paid in any currency.

132. 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 call shall be treated as paid on the share.

133. Subject to the provisions of the Statutes, if and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividend 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 pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit. A resolution of the Directors declaring any such dividend shall (once published with their authority) be irrevocable and have the same effect as if such dividend had been declared upon the recommendation of the Directors by an ordinary resolution of the Company. Provided the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage they may suffer by reason of the payment of any interim dividend on any shares having deferred or non-preferred rights.

134. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date 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.

135. No dividend or other monies payable on or in respect of a share shall bear interest as against the Company.

136. The Directors may retain any dividend or other monies payable on or in respect of any share :-

(A) on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists;

(B) 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; or

(C) in accordance with a restriction notice served under Article 47.

137. The Company may cease to send any cheque or warrant through the post for any dividend or other monies payable on or in respect of any share if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed, or the cheque or warrant in respect of any one dividend has been returned undelivered or remains uncashed and reasonable enquiries have failed to establish any new address of the holder, but may recommence sending cheques or warrants in respect of dividends payable on those shares if the holder or person entitled thereto requests such recommencement in writing.

138. All unclaimed dividends or other monies payable on or in respect of a share may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any such dividend or other monies 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 or the date on which such dividend became due

for payment shall be forfeited and shall revert to the Company, but the Directors may at their discretion pay any such dividend or such other monies or some part thereof to a person who would have been entitled thereto had the same not reverted to the Company.

139. 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, and 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 and fix the value for distribution of such specific assets or any part thereof and 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, and generally may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates or any part thereof and otherwise as they think fit.

140. Any dividend or other monies payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to or left at 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 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 persons 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 by writing 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 monies represented thereby.

141. 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 monies payable or property distributable on or in respect of the share.

### RESERVES

142. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may from time to time designate the reserves or any part thereof for such purposes or in such manner as they think fit. The Directors may also without placing the same to reserve carry forward any profits.

### CAPITALISATION OF RESERVES

143. The Company may upon the recommendation of the Directors by ordinary resolution resolve to capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of profit and loss account (provided that such sum be not available and required for paying the dividends on any shares carrying a fixed cumulative preferential dividend) and authorise the Directors to appropriate the sum resolved to be capitalised to the holders of shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend on the shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in or towards paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in one way and partly in the other. Provided that any sum standing to the credit of share premium account or capital redemption reserve fund and any other undistributable reserves shall only be applied in or towards the paying up of unissued shares to be allotted as fully paid.

144. Subject to approval by the Company in general meeting the Directors may, in respect of any dividend declared or proposed to be declared at that general meeting or any time prior to the next following annual general meeting, determine and announce, prior to or contemporaneously with their announcement of the dividend in question that ordinary shareholders will be entitled to elect to receive in lieu of

such dividend (or part thereof) an allotment of additional ordinary shares credited as fully paid. In any such case the following provisions shall apply:-

(A) The basis of allotment shall be determined by the Directors so that, as nearly as may be considered convenient, the value (calculated by reference to the average quotation) of the additional ordinary shares (including any fractional entitlement) to be allotted in lieu of any amount of dividend shall equal such amount. For such purposes the "average quotation" of an ordinary share shall be the average of the means of quotations on the Stock Exchange, as shown in the Daily Official List, on each of the first five business days on which the ordinary shares are quoted ex the relevant dividend.

(B) The Directors shall give notice in writing to the ordinary shareholders of the right of election accorded to them and shall send with or following such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective.

(C) The dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on ordinary shares in respect whereof the share election has been duly exercised ("the elected ordinary shares"), and in lieu thereof additional shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise, out of such of the sums standing to the credit of reserves (including any share premium account or capital redemption reserve fund) or profit and loss account as the Directors may determine a sum equal to the aggregate nominal amount of additional ordinary shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued ordinary shares on such basis.

(D) The additional ordinary shares so allotted shall rank *pari passu* in all respects with the fully paid ordinary shares then in issue save only as regards participation in the relevant dividend (or share election in lieu).

(E) The Directors may on any occasion determine that rights of election shall not be made available to any ordinary shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

145. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit for the case of shares or debentures becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective interests in such capitalised sum, of the amounts or any part of the amounts remaining unpaid on their existing shares and for matters incidental thereto and any agreement made under any such authority shall be effective and binding on all concerned.

#### **RECORD DATES**

146. Notwithstanding any other provision of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, offer, allotment or issue and such record date may be on or any time before or after any date on which the dividend, distribution, offer, allotment or issue is declared, paid or made.

#### **MINUTES AND BOOKS**

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

- (A) of all appointments of officers made by the Directors;
- (B) of the names of the Directors present at each meeting of Directors and of any committee of Directors;
- (C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

Any such minutes if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next following meeting, shall be sufficient evidence without any further proof of the facts therein stated.

148. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

149. Any register, index, minute book, book of account or other book or document of the Company shall always be open to the inspection of the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any book or document of the Company except as conferred by the Statutes or as ordered by a Court of competent jurisdiction or as authorised by the Directors and the Directors shall (subject to the provisions of the Statutes) determine at what times and under what conditions any such right may be exercised.

### ACCOUNTS

150. 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 within Great Britain as the Directors think fit.

151. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

152. A printed copy of the Directors' report accompanied by the balance sheet and profit and loss account and Auditor's report which is to be laid before a general meeting of the Company (including every document required by law to be 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 debentures 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 Articles. Provided that this Article shall not require a copy of such documents to be sent to more than one of joint holders or to any person who is not entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. The requirements of this Article shall be deemed to be satisfied in relation to any member by sending to that member, where permitted by the Statutes, a summary financial statement prepared in the form and containing the information prescribed by the Statutes. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.

153. Every account of the Company when audited and approved by the Company in general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever such an error is discovered within that period, the account shall forthwith be corrected and thereupon shall be conclusive.

#### AUDITORS

154. Auditors shall be appointed and their duties, powers, rights and remuneration regulated in accordance with the provisions of the Statutes.

155. Subject to the provisions of the Statutes, all acts done by persons acting as Auditors shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in their appointment or that they were at the time of their appointment not qualified for appointment.

156. The Auditors 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 them as Auditors.

#### NOTICES

157. 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 prepaid letter or leaving it in a letter 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. Where a notice or other document is 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 letter containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such letter was properly addressed, stamped and posted.

158. In respect of joint holdings all notices shall be given to the joint holder with a registered address or other address for service in the United Kingdom) whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders of that joint holding.

159. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder, provided that where a person entitled to a share in consequence of the death or bankruptcy of a member has supplied to the Company evidence to show his title to the share and an address within the United Kingdom for the service of notices, any notice or document to which the member but for his death or bankruptcy would be entitled shall be served on or delivered to such person in like manner as a member, and shall for all purposes be deemed a sufficient 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.

160. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by any notice or document in respect of such share which previously to his name and address being entered in the Register as the holder thereof shall have been served on or delivered to a person from or through whom he derives his title to such share provided that the provisions



of this Article shall not apply to any notice given under Article 47 or the provisions of the Statutes referred to therein.

161. 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.

162. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom or any part thereof 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 in two national daily newspapers published on the same date 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 forty-eight hours prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

163. Any notice required to be given by the Company to the members, or any of them, and not provided for by or pursuant to these Articles shall be sufficiently given if given by advertisement which shall be inserted once in at least one national daily newspaper, and in such case shall be deemed to have been given at noon on the day on which the advertisement first appears.

164. Nothing in these Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

#### WINDING UP

165. The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

166. 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 the whole or any part of the assets of the Company (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 subject to any special rights attached to any shares or the terms of issue thereof determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

#### INDEMNITY AND INSURANCE

167. Subject to the provisions of and so far as may be permitted by the Statutes, every Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including 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 judgement is given in his favour, or the proceedings 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 by the Court.

168. The Directors shall have the power to purchase and maintain insurance for, or for the benefit of, any persons who are, or were at any time, Directors, officers or employees of the Company or of any other company in which the Company has any interest, whether direct or indirect, or who are, or were, at any time trustees of any pension fund or employees' share scheme, or any other scheme or arrangement principally for the benefit of employees, in which employees of the Company, or of any such other company, are interested; including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties, or in the exercise of their powers, or otherwise in relation to their duties, powers or offices in relation to the Company, or any such other company, or any such pension fund, employees' share scheme or other scheme or