

Company No: 03224870

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

RESOLUTIONS OF LOMBARD RISK MANAGEMENT PLC

(passed 15th November 2002)

At an Extraordinary General Meeting of the above-named Company duly convened and held at 13th Floor, 21 New Fetter Lane, London, EC4A 1AJ on 15 November 2002, the following Resolutions were duly proposed and passed.

SPECIAL RESOLUTION

1. THAT the new Articles of Association of the Company in the form attached to this Notice and initialled by the Chairman of the Meeting be and are hereby adopted as the Articles of Association of the Company in substitution for the existing Articles of Association.

ORDINARY RESOLUTIONS

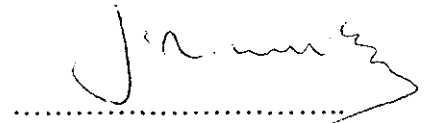
2. THAT the authorised share capital of the Company be increased from £2,000,000 to £4,000,000 by the creation of:-
 - (a) 5,000,000 additional ordinary shares of 10p each ("Ordinary Shares") ranking pari passu in all respects with the Ordinary Shares in issue at the date of this resolution; and
 - (b) 3,000,000 'B' Preference Shares of 50p each having the rights set out in the new Articles of Association of the Company to be adopted pursuant to Resolution 4 below.
3. THAT subject to the passing of Resolution 2 above, pursuant to Section 80(1) of the Companies Act 1985 ("the Act"), the Directors be and are hereby generally authorised (subject to requisite consents of shareholders pursuant to the Articles as adopted pursuant to Resolution 1 above), in substitution for all existing authorities in such regard, to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 80(2) of the Act) in the capital of the Company in respect of the entire authorised but unissued share capital of



the Company as increased pursuant to Resolution 2 above, such authority to expire on the fifth anniversary of the date of this Resolution or, if earlier, on the date of the Annual General Meeting of the Company to be held in 2007 PROVIDED 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 relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

4. THAT subject to the passing of Resolution 2 above, in substitution for all existing and unexercised authorities in such regard, the Directors be and they are hereby empowered (subject to requisite consents of shareholders pursuant to the Articles as adopted pursuant to Resolution 1 above) pursuant to section 95 of the Act to allot equity securities (as defined in section 94 of the Act) pursuant to the authority conferred upon them by Resolution 3 above as if section 89(1) of the Act did not apply to such allotment PROVIDED THAT such power shall expire on the date of the next Annual General Meeting of the Company or 15 months after the date of the passing of this Resolution (whichever is the earlier) but so that the Company may, before such expiry, make an 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 the power conferred hereby had not expired.



Chairman

Company No. 03224870

THE COMPANIES ACT 1985 – 1989

**PUBLIC COMPANY LIMITED
BY SHARES**

ARTICLES OF ASSOCIATION

-of-

LOMBARD RISK MANAGEMENT PLC

(adopted by Special Resolution of the Company on 15 November 2002)

FINAL: 11.11.02

**Memery Crystal
31 Southampton Row
London
WC1B 5HT
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Ref: DCW/238641v6**

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1. Definitions and Interpretation

1.1 In the interpretation of these Articles, unless the context otherwise requires, the following definitions shall apply:

“the Act”	the Companies Act 1985, as amended by the Companies Act 1989, and any statutory modification or re-enactment from time to time in force;
“these Articles”	these Articles of Association as amended from time to time;
“as if converted basis”	means the number of Ordinary Shares into which Preference Shares would convert on the basis of:- <ul style="list-style-type: none">- in the case of ‘A’ Preference Shares, 2 Ordinary Shares for every 7 ‘A’ Preference Shares held; and- in the case of ‘B’ Preference Shares, 1 Ordinary Share for every 4 ‘B’ Preference Shares held.
“Business Days”	Monday to Friday inclusive but excluding statutory holidays or days on which banks generally are not open for non-automated customer business;
“‘A’ Conversion Notice”	has the meaning given in Article 4.2(d);
“‘B’ Conversion Notice”	has the meaning given in Article 5.2(d);
“‘A’ Conversion Ratio”	the ratio applied to the Conversion Price to determine the basis on which ‘A’ Preference Shares convert into Ordinary Shares which shall be:

	<table> <tr> <th><u>Period</u></th><th><u>Ratio</u></th></tr> <tr> <td>up to and including 31 March 2003</td><td>75%</td></tr> <tr> <td>1 April 2003 - 31 March 2004</td><td>70%</td></tr> </table>	<u>Period</u>	<u>Ratio</u>	up to and including 31 March 2003	75%	1 April 2003 - 31 March 2004	70%						
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1 April 2003 - 31 March 2004	70%												
“‘B’ Conversion Ratio”	the ratio applied to the Conversion Price to determine the basis on which ‘B’ Preference Shares convert into Ordinary Shares which shall be:												
	<table> <tr> <th><u>Period</u></th><th><u>Ratio</u></th></tr> <tr> <td>up to and including 30 June 2003</td><td>85%</td></tr> <tr> <td>1 July 2003 – 31 December 2003</td><td>80%</td></tr> <tr> <td>1 January 2004 – 30 June 2004</td><td>75%</td></tr> <tr> <td>1 July 2004 – 31 December 2004</td><td>70%</td></tr> <tr> <td>1 January 2005 – 30 June 2005</td><td>65%</td></tr> </table>	<u>Period</u>	<u>Ratio</u>	up to and including 30 June 2003	85%	1 July 2003 – 31 December 2003	80%	1 January 2004 – 30 June 2004	75%	1 July 2004 – 31 December 2004	70%	1 January 2005 – 30 June 2005	65%
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“‘A’ Preference Shares”	‘A’ cumulative convertible preference shares of 50p in the Company;												
“‘B’ Preference Shares”	‘B’ cumulative convertible preference shares of 50p in the Company;												
“Controlling Interest”	Has the meaning given in Article 10.1(d);												
“Conversion Event”	<p>the occurrence of an IPO or Trade Sale and such event shall, for the purposes of these Articles, be deemed to have occurred:</p> <p>(i) in the case of an IPO, immediately prior to the time at which the admission to</p>												

listing or trading of the Shares the subject of the IPO becomes effective in accordance with the rules of the relevant investment exchange; or

- (ii) in the case of a Trade Sale, immediately prior to completion of such sale in accordance with the agreement between the vendor(s) and purchaser(s);

“Conversion Price”

the price per Ordinary Share used to calculate how many Ordinary Shares the ‘A’ Preference Shares and/or the ‘B’ Preference Shares convert into which shall be:

- (i) in the event of an IPO, the price per share at which Ordinary Shares are issued and/or sold to investors in conjunction with the Company’s application to the relevant investment exchange (as stated in the prospectus published in connection therewith); or
- (ii) in the event of a Trade Sale, the value attached to each Ordinary Share sold to the third party purchaser;

“‘A’ Preference Dividend”

the dividend payable on the amount paid-up (including any premium) on each ‘A’ Preference Share pursuant to Article 4.1(b);

“‘B’ Preference Dividend”

the dividend payable on the amount paid-up (including any premium) on each ‘B’ Preference Share pursuant to Article 5.1(b);

“Deferred Shares”

deferred shares of 1 pence each of the Company which may arise out of the

	conversion of Preference Shares;
“Group”	in relation to the Company, any holding company of the Company and any subsidiaries of the Company or its holding company;
“Investor”	any person holding ‘A’ Preference Shares from time to time;
“Investor Director”	has the meaning given in Article 13.1;
“Investor Director Consent”	the consent in writing of the Investor Director (acting solely in his capacity as a representative of the ‘A’ Preference Shareholders and not in his capacity as a Director);
“IPO”	means the admission of all or any of the ordinary share capital of the Company to the Official List of the United Kingdom Listing Authority (or any successor body) or the admission of the same to trading on the Alternative Investment Market of the London Stock Exchange or the admission of the same to, or the grant of permission by any like authority for the same to be traded on any other recognised investment exchange (within the meaning of Section 417 of the Financial Services & Markets Act 2000);
“Ordinary Shares”	ordinary shares of 10 pence each in the share capital of the Company;
“Permitted Incentives”	the grant of options to subscribe for Ordinary Shares and/or the issue and allotment of Ordinary Shares by the Company to employees of and/or consultants to any member of the Group which in aggregate (assuming exercise

of all such options) does not exceed 20 (twenty) per cent. of the Ordinary Shares in issue from time to time ("the relevant percentage"). Share options granted prior to 1 October 2002 shall be disregarded in calculating the relevant percentage;

"Preference Shareholder" a holder of 'A' Preference Shares and/or 'B' Preference Shares;

"Preference Shares" 'A' Preference Shares and/or 'B' Preference Shares;

"Redeemable Shares" redeemable shares arising on the re-designation of Preference Shares pursuant to Articles 6.2 or 6.3;

"Shares" the Ordinary Shares, the 'A' Preference Shares, the 'B' Preference Shares and any other shares in the issued capital of the Company from time to time (of whatever class);

"Table A" Table A scheduled to the Companies (Tables A to F) Regulations 1985 as amended prior to the date of adoption of these Articles, a copy of which is attached to these Articles; and

"Trade Sale" means:

- (a) the sale of Shares constituting a Controlling Interest to a single purchaser or to one or more purchasers as part of a single transaction; or
- (b) the acquisition (whether or not as part of a single transaction) of Shares constituting a Controlling Interest by

any person or by any group of persons who are connected persons of each other and who did not previously hold a Controlling Interest.

- 1.2 Any term or expression defined in the Act shall, unless the context otherwise requires, have the same meaning in these Articles.
- 1.3 The singular shall include the plural and vice versa.
- 1.4 The expression 'shareholder' or 'member' includes his personal representatives.
- 1.5 References to the masculine gender shall include the feminine gender.
- 1.6 The regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 26, 73-77 inclusive, 80 shall not apply. In Regulation 79 of Table A the last two sentences shall be deleted.

2. Share capital

- 2.1 The authorised share capital of the Company at the date of adoption of these Articles is £4,000,000 divided into 20,000,000 Ordinary Shares, 1,000,000 'A' Preference Shares and 3,000,000 'B' Preference Shares.
- 2.2 Save as set out specifically in these Articles, the 'A' Preference Shares and the 'B' Preference Shares shall rank pari passu in all respects.

3. Authority to Allot and Purchase Shares

- 3.1 Save as may be provided by Regulation 110 of Table A, all Shares which are comprised in the authorised share capital of the Company from time to time which the Directors propose to issue shall:
 - (a) in the case of a proposed issue of Shares of the same class as those comprised in the authorised share capital of the Company from time to time, first be offered to holders of the same class of Share in proportion to the number of the existing Shares of the same class held by them respectively and at the same price unless the Company shall by special

resolution otherwise direct and, in the case of a proposed issue of 'A' Preference Shares, Investor Director Consent is obtained. Each such offer shall be made by notice specifying the total number of Shares ("Issue Shares") being offered to the holders of Shares of the same class as a whole, the proportionate entitlement of the member to whom the offer is made and the price per Share and shall require each member to state in writing within a period (being not less than 14 days) specified in the notice whether he wishes to apply to take any and, if so, what maximum number of the said Shares up to his proportionate entitlement and whether he wishes to apply to take any shares in excess of his proportionate entitlement (if available) ("Excess Application Shares") and, if so, the maximum number for which he would be willing to subscribe. After such 14 days have expired the Directors shall allocate the Issue Shares in the following manner:-

- (i) to each member of the relevant class there shall be allocated his proportionate entitlement or such lesser number of Issue Shares for which he may have applied;
- (ii) if the number of Issue Shares which remain unallocated is less than the total aggregate number of Excess Application Shares the unallocated Issue Shares shall be allocated (as nearly as may be) in the proportions which the applications for Excess Application Shares bear to one another;
- (iii) if the number of any Issue Shares which remain unallocated equals or is greater than the total aggregate number of Excess Application Shares, each member of the relevant class who has applied for Excess Application Shares shall be allocated the number of Excess Application Shares for which he applied; and
- (iv) if after the expiration of the 14 day period referred to in paragraph (a) above there remain any Shares not taken up the Directors shall give notice to all the existing holders of all other classes of Shares of the number not taken up and such Shares shall be offered to all the members of the Company in proportion to the number of Shares (which, in the case of

Preference Shares, shall be on an as if converted basis) held by them. The Shares shall otherwise be offered in accordance with the provisions of paragraph (a) above.

- (b) in the case of a proposed issue of Shares of a different class to those comprised in the authorised share capital of the Company from time to time, unless the Company shall by special resolution otherwise direct and subject to paragraph (c) below, be offered in accordance with the provisions of paragraph (a) above (which shall mutatis mutandis apply) SAVE THAT such Shares shall first be offered to all members of the Company in proportion to the number of Shares held by them on an as if converted basis.
 - (c) The Company shall not issue any Ordinary Shares credited as fully paid (save in respect of Permitted Incentives) at less than £3.50 per share during the period from the date of adoption of these Articles until 31 December 2002 without Investor Director Consent.
 - (d) Any Shares not finally accepted pursuant to the foregoing provisions shall be available for issue by the Directors on the same terms originally proposed for a period of three months immediately thereafter.
- 3.2 Any shares released from the provisions of Article 3.1 by any such special resolution (and where relevant, Investor Director Consent) as aforesaid shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit. No Shares shall be issued at a discount to nominal value or otherwise in breach of the provisions of these Articles or of the Act.
- 3.3 The provisions of Article 3.1(a) do not apply to any 'A' Preference Shares allotted pursuant to an agreement between (inter alia) the Company, its directors and subscribers for 'A' Preference Shares, or, Ordinary Shares or rights over the same to be allotted or granted pursuant to Permitted Incentives or to the issue of Shares as part or full consideration for the acquisition of another company or business or assets by the Company.

4. Rights of the 'A' Preference Shares as to Income and Conversion

4.1 As to income:

- (a) No dividend shall accrue or be payable on the 'A' Preference Shares during the period from their issue and allotment until 31 December 2002;
- (b) Subject to the provisions of the Act and to Article 6.5, from 1 January 2003, each 'A' Preference Share shall confer on its holder the right to receive in priority to the transfer of any sum to reserves or any rights of the holders of Ordinary Shares and payable without any resolution of the Directors or of the Company, a dividend calculated as an annual percentage rate on the amount paid up (including any premium) on each 'A' Preference Share ("the 'A' Preference Dividend") on the following basis:

<u>Period</u>	<u>Dividend</u>
1 January 2003 - 31 December 2003	6% per annum
from 1 January 2004	8% per annum

- (c) The 'A' Preference Dividend will accrue on a daily basis from 1 January 2003 or, if later, the date of issue and will be payable half-yearly on 30 June and 31 December in each year (each, "a Regular Dividend Payment Date") in respect of the half-years ending on those dates. The first payment shall be made on 30 June 2003 in respect of the period from 1 January 2003 up to that date.
- (d) Any amount of 'A' Preference Dividend not paid when due shall be carried forward and subject to the provisions of the Act, be payable in priority to the 'A' Preference Dividend payable on any later date. The Company shall pay, on the date of actual payment, an amount of interest calculated from the date the 'A' Preference Dividend should have been paid at the same rate of interest as the 'A' Preference Dividend applying when such 'A' Preference Dividend should first have been paid on the amount not paid.

- (e) The 'A' Preference Shares shall not confer any further right of participation in the profits of the Company.

4.2 As to conversion:

- (a) Immediately upon the occurrence of a Conversion Event prior to 1 April 2004, all of the 'A' Preference Shares shall automatically (and without the need for any resolution or notice of the Company or the holders of 'A' Preference Shares) be converted into Ordinary Shares.
- (b) The basis on which 'A' Preference Shares will convert into Ordinary Shares pursuant to paragraph (a) above shall be:

$$O = 1 \div (CP \times ACR)$$

where:

'O' = the number of Ordinary Shares into which one 'A' Preference Share will convert;

CP = Conversion Price (in £/per Share); and

ACR = the 'A' Conversion Ratio.

- (c) Holders of 'A' Preference Shares shall have no right to convert the 'A' Preference Shares into Ordinary Shares during the period from the date of adoption of these Articles until 1 April 2004 save pursuant to paragraph (a) above;
- (d) If on 1 April 2004, there has not been a Conversion Event, a holder of 'A' Preference Shares shall be entitled during the period ending 31 May 2004 to serve not less than 14 days' notice on the Company ("an 'A' Conversion Notice") to convert all (but not some) of the 'A' Preference Shares held by him into Ordinary Shares on the basis of 2 Ordinary Shares for every 7 'A' Preference Shares then held and so in proportion for any greater number of 'A' Preference Shares held.
- (e) If at any time after 1 April 2004 it appears to the Board that a Conversion Event is likely to take place, it shall give as much notice as practicable together with all pertinent details of such Conversion Event

to the holders of 'A' Preference Shares and such holders shall then be entitled during the period stipulated by the Board (which the Board will endeavour to make a period of not less than two months) to convert all (but not some) of their 'A' Preference Shares into Ordinary Shares on the occurrence of the Trade Sale or IPO (as the case may be) on the basis of 2 Ordinary Shares for every 7 'A' Preference Shares then held, any such intention to convert being communicated by service on the Company of an 'A' Conversion Notice and such conversion being subject to the occurrence of the Conversion Event.

- (f) Fractions of Ordinary Shares arising on conversion of 'A' Preference Shares shall automatically be converted into and re-designated as Deferred Shares.
- (g) If and to the extent that the aggregate nominal value of Ordinary Shares arising on conversion is less than the aggregate nominal value of the 'A' Preference Shares which are converted, the balance shall be automatically converted into and re-designated as Deferred Shares on the basis of one Deferred Share for every 1 pence by which the aggregate nominal value of Ordinary Shares arising on Conversion is less than the aggregate nominal value of the 'A' Preference Shares which are converted.
- (h) The Ordinary Shares arising on conversion shall rank pari passu in all respects with the Ordinary Shares then in issue and fully paid up with effect from:
 - (i) in the case of a conversion pursuant to paragraphs (a) or (e) above, the date of the Conversion Event; and
 - (ii) in the case of a conversion pursuant to paragraph (d) above, the date of the 'A' Conversion Notice

and shall entitle the holders to all dividends and other distributions declared, made or paid by reference to any record date occurring after such date.

5. Rights of the 'B' Preference Shares as to Income and Conversion

5.1 As to income:

- (a) No dividend shall accrue or be payable on the 'B' Preference Shares during the period from their issue and allotment until 30 June 2003;
- (b) Subject to the provisions of the Act and to Article 6.5, from 1 July 2003, each 'B' Preference Share shall confer on its holder the right to receive in priority to the transfer of any sum to reserves or any rights of the holders of Ordinary Shares (but, subject to Article 6.5 as aforesaid, subject to the rights attaching to the 'A' Preference Shares) and payable without any resolution of the Directors or of the Company, a dividend calculated as an annual percentage rate on the amount paid up (including any premium) on each 'B' Preference Share ("the 'B' Preference Dividend") on the following basis:

<u>Period</u>	<u>Dividend</u>
1 July 2003 – 30 June 2004	6% per annum
from 1 July 2004	8% per annum

- (c) The 'B' Preference Dividend will accrue on a daily basis from 1 July 2003 or, if later, the date of issue and will be payable half-yearly on 31 December and 30 June in each year (each, "a Regular Dividend Payment Date") in respect of the half-years ending on those dates. The first payment shall be made on 31 December 2003 in respect of the period from 1 July 2003 up to that date.
- (d) Any amount of 'B' Preference Dividend not paid when due shall be carried forward and subject to the provisions of the Act be payable in priority to the 'B' Preference Dividend payable on any later date. The Company shall pay, on the date of actual payment, an amount of interest calculated from the date the 'B' Preference Dividend should have been paid at the same rate of interest as the 'B' Preference Dividend applying when such 'B' Preference Dividend should first have been paid on the amount not paid.

- (e) The 'B' Preference Shares shall not confer any further right of participation in the profits of the Company.

5.2 As to conversion:

- (a) Immediately upon the occurrence of a Conversion Event prior to 1 July 2005, all of the 'B' Preference Shares shall automatically (and without the need for any resolution or notice of the Company or the holders of 'B' Preference Shares) be converted into Ordinary Shares.
- (b) The basis on which 'B' Preference Shares will convert into Ordinary Shares pursuant to paragraph (a) above shall be:

$$O = 1 \div (CP \times BCR)$$

where:

'O' = the number of Ordinary Shares into which one 'B' Preference Share will convert;

CP = Conversion Price (in £/per Share); and

BCR = the 'B' Conversion Ratio.

- (c) Holders of 'B' Preference Shares shall have no right to convert the 'B' Preference Shares into Ordinary Shares during the period from the date of adoption of these Articles until 1 July 2005 save pursuant to paragraph (a) above;
- (d) If on 1 July 2005, there has not been a Conversion Event, a holder of 'B' Preference Shares shall be entitled during the period ending 31 August 2005 to serve not less than 14 days' notice on the Company, ("a 'B' Conversion Notice") to convert all (but not some) of the 'B' Preference Shares held by him into Ordinary Shares on the basis of 1 Ordinary Shares for every 4 'B' Preference Shares then held and so in proportion for any greater number of 'B' Preference Shares held.
- (e) If at any time after 1 July 2005 it appears to the Board that a Conversion Event is likely to take place, it shall give as much notice as practicable together with all pertinent details of such Conversion Event

to the holders of 'B' Preference Shares and such holders shall then be entitled during the period stipulated by the Board (which the Board will endeavour to make a period of not less than two months) to convert all (but not some) of their 'B' Preference Shares into Ordinary Shares on the occurrence of the Trade Sale or IPO (as the case may be) on the basis of 1 Ordinary Share for every 4 'B' Preference Shares then held, any such intention to convert being communicated by service on the Company of a 'B' Conversion Notice and such conversion being subject to the occurrence of the Conversion Event.

- (f) Fractions of Ordinary Shares arising on conversion of 'B' Preference Shares shall automatically be converted into and re-designated as Deferred Shares.
- (g) If and to the extent that the aggregate nominal value of Ordinary Shares arising on conversion is less than the aggregate nominal value of the 'B' Preference Shares which are converted, the balance shall be automatically converted into and re-designated as Deferred Shares on the basis of one Deferred Share for every 1 pence by which the aggregate nominal value of Ordinary Shares arising on Conversion is less than the aggregate nominal value of the 'B' Preference Shares which are converted.
- (h) The Ordinary Shares arising on conversion shall rank pari passu in all respects with the Ordinary Shares then in issue and fully paid up with effect from:
 - (i) in the case of a conversion pursuant to paragraphs (a) or (e) above, the date of the Conversion Event; and
 - (ii) in the case of a conversion pursuant to paragraph (d) above, the date of the 'B' Conversion Notice

and shall entitle the holders to all dividends and other distributions declared, made or paid by reference to any record date occurring after such date.

6. Other Rights of Preference Shares

6.1 As to voting:

- (a) The holders of Preference Shares shall have the right to receive notice of and to attend General Meetings of the Company but shall not have the right to vote thereat unless:
 - (i) the Company has not paid a Preference Dividend within five Business Days of the due date; or
 - (ii) the Company has failed to make payment of all moneys due on a redemption of Redeemable Shares within five business days of the due date.

in which case (until payment is made in full), on a show of hands or on a poll, each Preference Shareholder shall have such number of votes as if the Preference Shares held by him had converted into Ordinary shares on an as if converted basis.

6.2 Any holder of 'A' Preference Shares can require by service on the Company (at its registered office) of not less than 60 days prior written notice (together with the certificate(s) for the Shares subject to such notice) to expire on 30 June 2007 or any Regular Dividend Payment Date thereafter ("Redeeming Notice"), that some or all of the 'A' Preference Shares held by him shall become redeemable. Service of a Redeeming Notice in respect of any 'A' Preference Shares shall, on the expiry of such notice as aforesaid have the effect of re-designating such shares as "Redeemable Shares" having the rights contained in Article 6.3 below.

6.3 (a) For the purposes of this Article 6.3, "Re-Designation Date" shall mean, in the case of 'A' Preference Shares, the expiry of a Redeeming Notice and in the case of the 'B' Preference Shares, 30 June 2007. Any 'B' Preference Shares remaining in issue on 30 June 2007 and any 'A' Preference Shares in respect of which a Redeeming Notice has been served shall automatically (and without the requirement for any resolution or notice of the Company or holders of Preference Shares) be re-designated as Redeemable Shares, the rights of which shall be as

follows:-

- (i) the Redeemable Shares will be redeemable by the Company in accordance with paragraphs (b) to (e) below;
- (ii) the Redeemable Shares shall no longer be convertible in any circumstances at the option of a holder thereof;
- (iii) the certificate(s) for any 'A' Preference Shares the subject of a Redeeming Notice and all 'B' Preference Shares in issue on 30 June 2007 shall be cancelled and the Company shall deliver to the holders thereof new share certificates containing a schedule of redemption dates/amounts endorsed thereon,

and the Redeemable Shares shall otherwise have the same rights attaching to the Preference Shares immediately prior to the Re-Designation Date.

- (b) Redeemable Shares shall, with and subject to any consent and authority required by the Act, be redeemed by the Company in cash for the amount paid up thereon (including any premium) in 12 equal quarterly instalments, the first instalment:-

- (i) in the case of Redeemable Shares arising on the re-designation of 'A' Preference Shares, being payable on 30 June 2007 or, if later, the Regular Dividend Payment Date which is not less than 60 days from the date of the Redeeming Notice; and
- (ii) in the case of Redeemable Shares arising on the re-designation of 'B' Preference Shares, being payable on 30 June 2007,

followed in each case by a further 11 instalments, each payable on a Regular Dividend Payment Date, each such date, for the purposes of this Article 6.3, being known as "a Redemption Date".

- (c) Save with the consent of the Directors, a Redeeming Notice, once served, shall be irrevocable.
- (d) Upon each Redemption Date the amount payable for that instalment together with any arrears of dividend (and payable whether or not such

dividend has been declared or earned) and any interest accrued thereon ("the redemption moneys") shall become a debt due and payable by the Company in respect of those Redeemable Shares to be redeemed and the Company shall forthwith upon each Redemption Date pay the redemption moneys to the holders of Redeemable Shares.

- (e) As from each Redemption Date the Preference Dividend shall cease to accrue to the amount of the Redeemable Shares due to be redeemed on that date unless the Company fails to make payment of the redemption moneys on such date in which case the dividend (together with interest thereon) payable on such shares shall be deemed to have continued and shall continue to accrue from the Redemption Date to the date of actual payment.

6.4 Early redemption of Redeemable Shares:

The Company may at any time after 30 June 2007 redeem the whole or any part of the Redeemable Shares then outstanding by serving notice of such redemption upon the holders thereof specifying a date being not less than 14 days nor more than 30 days after the date of such notice upon which redemption is to take place. The provisions of Article 6.3 above shall have effect mutatis mutandis to such redemption save that the Redemption Date shall be that specified in the said notice.

6.5 Ranking for Dividends

If, in respect of any period when both the 'A' Preference Dividend and the 'B' Preference Dividend is payable ("the Relevant Period"), the profits or reserves of the Company available for distribution in accordance with the Act ("Distributable Profits") are insufficient to satisfy both the 'A' Preference Dividend and the 'B' Preference Dividend in full then such profits shall be allocated in the following order of priority:-

First: in paying to the holders of 'A' Preference Shares any arrears of 'A' Preference Dividend relating to periods prior to the commencement of the Relevant Period together with interest thereon in accordance with Article 4.1(d);

Second: during any period when the 'A' Preference Dividend and the 'B' Preference Dividend are payable among the holders of Preference Shares on a pro rata basis.

6.6 Return of Capital

On a winding up or other return of capital (but not on the redemption or purchase by the Company of Shares) the assets of the Company available for distribution among its members shall be applied, in priority to the holders of Ordinary Shares:-

First: in paying up the amount paid up (including any premium) on the Preference Shares as one class on a pro rata basis; and

Second: in paying up all arrears and accruals of dividend (and where relevant, interest thereon) on the Preference Shares in the order or priority set out in Article 6.5.

7. Modification of Rights

7.1 Subject to the Act, all or any of the special rights attached to any class of Shares in issue from time to time may (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than three-fourths of the issued Shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such Shares. To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two or more persons holding or representing by proxy not less than one-third of the issued Shares of the class PROVIDED THAT where all the Shares of a class are registered in the names of one holder, that holder present in person or by proxy may constitute a meeting that every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him, that any holder of Shares of the class present in person or by proxy may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of Shares held by him) shall be a quorum and PROVIDED FURTHER THAT no meeting of holders of 'A' Preference Shares shall be quorate unless the Investor Director is present. For this

purpose, the Investor Director shall be deemed to be present at such a meeting and shall be counted when reckoning a quorum if he is able to participate in the meeting by means of a communication device (including by telephone) which allows him to hear and speak to other participants at the meeting.

7.2 The special rights conferred upon the holders of any Shares or class of Shares shall be deemed to be altered by the creation or issue of further Shares ranking in priority thereto unless the consent of the holders of the issued Shares of any such class shall first have been obtained pursuant to Article 7.1 PROVIDED THAT for the avoidance of doubt:-

- (a) the creation and/or issue of further Ordinary Shares, shall not constitute an alteration or abrogation of the class rights attaching to any of the Preference Shares;
- (b) the creation and/or issue of further 'A' Preference Shares or 'B' Preference Shares shall not constitute an alteration or abrogation of the class rights attaching to the Shares of the same class;
- (c) the creation and/or issue of further 'B' Preference Shares shall not constitute an alteration or abrogation of the class rights attaching to the 'A' Preference Shares.

8. Deferred Shares

8.1 The Deferred Shares shall carry no rights to receive any dividend nor to participate in any profits of the Company nor shall the holders thereof have any right to attend or to vote at any meeting of the Company nor have any right to participate on any return of capital save that on a winding up the holders of the Deferred Shares shall be entitled to receive the amount paid up thereon after and subject to the Ordinary Shareholders having received the amount paid up on such Ordinary Shares together with a further £1,000,000,000 per share and the Deferred Shares shall not be transferable at any time hereafter other than with the consent of all of the Directors of the Company.

8.2 The rights attaching to the Deferred Shares shall not be varied, abrogated or altered by the issue of any shares ranking in priority thereto, by the redemption or purchase of any Shares other than the Deferred Shares or by the cancellation

of the Deferred Shares without any payment to the holders thereof, whether by means of a reduction of capital or otherwise, and accordingly no consent thereto or sanction thereof by the holders of the Deferred Shares, or any of them, shall be required.

- 8.3 The Directors are irrevocably authorised to appoint by Board resolution at any time hereafter any person to execute on behalf of the holders of the Deferred Shares a transfer thereof to such person as the Directors may determine as custodian thereof and/or to agree to the purchase thereof by the Company (in accordance with the Act) for not more than 1p in aggregate for all the Deferred Shares the subject of such purchase, without obtaining the sanction of the holder or holders of the relevant Deferred Shares and to do all things necessary or desirable to give effect to such purchase.

9. Transfers - General

- 9.1 Subject to such of the restrictions of these Articles as may be applicable (including without limitation Article 10), any member may transfer all or any of his Shares. The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.
- 9.2 Any transfer or purported transfer of any Share or of any interest therein made otherwise than in accordance with these Articles shall be void and of no effect whatsoever. In addition the Directors shall be at liberty by notice in writing to the registered holders thereof to disenfranchise any Shares which are the subject of a transfer not made in accordance with these Articles until such time as the Directors (acting reasonably) are satisfied that the provisions of these Articles relating to transfer of Shares have been complied with.
- 9.3 The Directors may in their absolute discretion and without assigning any reason therefor, decline to register:
- (a) any transfer of any Shares over which the Company has a lien; or
 - (b) any transfer of any Share which is not fully paid to a person of whom the Directors do not approve; or

- (c) any transfer to an infant, bankrupt or person suffering from mental disorder as that expression is used in Regulation 81(c) of Table A; or
- (d) any transfer made otherwise than in accordance with Regulation 24(a) of Table A.

9.4 The transferor of any Share shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof.

10. Limitation on Transfer of Control

10.1 For the purposes of this Article 10:

- (a) the expression "Buyer" means any person, whether or not an existing member of the Company ("a relevant person") proposing to purchase or otherwise obtain Shares which shall be deemed to include any Associate of any relevant person;
- (b) the expression "obtain" means to be or become the legal or beneficial owner of Shares, whether directly or indirectly and whether by the issue, transfer, renunciation or conversion of shares or otherwise and whether all at one time or not;
- (c) the expression "Associate" means:-
 - (i) the husband, wife, where a relevant person, being an individual, has died, his or her surviving spouse, mother, father, grandmother, grandfather, brother, sister, child (including adopted child) or other lineal descendant of any relevant person;
 - (ii) the trustees of any settlement (or any company owned or controlled by such trustees) set up by any relevant person provided that only the relevant person, or such persons who are in a relationship referred to in (i) above to the relevant person (and, as the case may be, statutory bodies or charities) is or are capable of being a beneficiary or beneficiaries thereof;
 - (iii) the personal representatives, trustee in bankruptcy or any other nominee of a relevant person ;

- (iv) where the relevant person is an individual, any company in which the relevant person (including where relevant, one or more of his Associates) holds a majority of the voting or other equity capital of the Company;
 - (v) where the relevant person is a company or corporation, any subsidiary or holding company (as such expressions are defined in the Act) of that company or corporation and any other subsidiary of any such holding company;
 - (vi) any person with whom any relevant person is otherwise connected, the question of whether such person is so connected falling to be determined for this purpose in accordance with the provisions of Section 839 of the Income and Corporation Taxes Act 1988; and
 - (vii) any person with whom any relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Take-overs and Mergers or any successor code having statutory authority).
- (d) the expression "Controlling Interest" means an interest (within the meaning of Schedule 13, Part 1 of the Act) in Shares carrying more than 50 per cent. of the voting rights attaching to the Shares in issue at the relevant time;
- (e) the expression "the Specified Price" shall mean a price per share at least equal to that offered or paid or payable by the Buyer for the Specified Shares (as defined in Article 10.2 below) to the holder or holders thereof plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holder or holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as in addition to the price paid or payable for the Specified Shares.

10.2 Subject to Article 10.8, no sale or transfer of any Shares of any class ("the Specified Shares") shall be made which would result, if made and registered, in a Buyer obtaining a Controlling Interest unless the Buyer has offered to

purchase all of the issued Shares of that class (other than Shares already held by the Buyer) at the Specified Price.

- 10.3 Subject to Article 10.8, no sale or transfer of any Ordinary Shares shall be made which would result, if made and registered, in a Buyer obtaining a Controlling Interest unless the Buyer has also offered to purchase at the Specified Price all of the Ordinary Shares which would arise on conversion of the 'A' Preference Shares and the 'B' Preference Shares as a result of such sale or transfer.
- 10.4 In the event of disagreement as to the calculation of the Specified Price for the purposes of this Article any such disagreement shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding (in the absence of manifest error) and the cost of such umpire shall be borne as he shall direct or, in default of such a direction, equally by the parties to the dispute or disagreement.
- 10.5 If any offer is made on bona fide commercial terms by a Buyer for all of the Shares and is approved by the holders of Shares carrying more than 70 per cent. of the voting rights attaching to the Shares in issue at the relevant time (even if including the Buyer) (such holders of Shares, being referred to as "the accepting shareholders") then the holders of the other Shares ("the non-accepting shareholders") shall, if so required in writing by the accepting shareholders, accept such offer in respect of their Shares and if they shall fail to do so within five days of being so required, shall be deemed hereby to accept the same and to authorise the Company to exercise such documents on their behalf to effect the sale of their Shares pursuant thereto and Article 10.6 shall apply for these purposes.
- 10.6 If in any case the non-accepting shareholders, having become bound to sell their Shares make default in transferring the same the Directors may receive such purchase money and shall be deemed to have been appointed by the non-accepting shareholders to execute an instrument of transfer of such Share in the name and on behalf of the non-accepting shareholders and thereafter when such

instrument has been duly stamped the Directors shall cause the name of the purchaser to be entered in the Register of Member as the holder of such Share and where applicable shall hold the purchase money in trust without interest for the non-accepting shareholder. The receipt of the Directors for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and after his name has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

10.7 The provisions of Articles 10.2 and 10.3 shall not apply to the obtaining of a Controlling Interest by a Buyer as part of a reconstruction or amalgamation of the Company where there is no material change to the beneficial ownership of the Shares.

10.8 The provisions of Articles 10.2 and 10.3 shall not apply and a Buyer shall not be deemed to have obtained a Controlling Interest to the extent only that:-

- (a) the Shares of a relevant person are transferred to one or more of that relevant person's Associates; or
- (b) the Shares of one or more Associates of a relevant person are transferred to the relevant person; or
- (c) Shares are transferred between Associates of a relevant person.

11. General Meetings

11.1 All general meetings of the Company shall be held within the United Kingdom. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and at all times throughout the meeting thereafter, save as herein otherwise provided three members present in person or by proxy (or, being a corporation, by representative) shall be a quorum, at least two of whom must be holders of Ordinary Shares PROVIDED THAT if at an adjourned meeting a quorum for the purposes of the foregoing provisions of this Article is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved, unless the meeting was adjourned for fourteen days or more and due notice in such regard was given to the members within five days of the

adjournment whereupon the quorum at any such adjourned meeting shall be any two members present in person or by proxy (or, being a corporation, by representative). Regulation 41 of Table A shall be read and construed accordingly.

- 11.2 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 the Chairman or by any member present in person or by proxy. On a show of hands votes may be given either personally or by proxy.
- 11.3 Unless a poll is properly demanded in accordance with these Articles, a declaration by the Chairman that a resolution has on a show of hands been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the Minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
- 11.4 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.
- 11.5 Subject to the Act, a resolution in writing signed by all the members for the time being entitled to vote shall be as effective for all purposes as a resolution duly passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more members. In the case of a corporation the resolution may be signed on its behalf by a Director thereof or by its duly appointed or duly authorised representative.

12. Directors

- 12.1 Subject to the Act and unless and until the Company by Special Resolution shall otherwise determine, there shall be a maximum number of eight Directors and there shall be a minimum of two Directors.
- 12.2 The quorum necessary for the transaction of business of the Directors shall be

two and shall (if he is in office or unless he otherwise agrees in writing) include the Investor Director or his alternate PROVIDED THAT where not less than seven days prior notice of any proposed meeting of Directors has been given to each Director or his alternate (unless absent from the United Kingdom and he has failed to leave an address at which he may be contacted by fax or other visible communication) setting out in reasonable detail the matters proposed to be considered thereat and at such proposed meeting no Investor Director is present as required by the foregoing, any two Directors present in person or by their alternates shall constitute a quorum.

- 12.3 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that unless otherwise agreed by all the Directors at the time as regards the meeting concerned, all meetings of the Directors shall be held within the United Kingdom. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Save in the case of an emergency and unless all the Directors (or their duly appointed alternates) shall agree to the holding of a meeting by shorter notice, at least seven days' notice of every meeting of Directors shall be given to each Director, unless absent from the United Kingdom and he has failed to leave an address at which he may be contacted by fax or other similar visible communication.
- 12.4 Any Director enabled to participate in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting whether in person or by means of such type of communication device, to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 12.5 Notwithstanding the general power of the Directors to manage the business of the Company pursuant to Regulation 70 of Table A, the Directors shall not resolve to approve or give effect to the following matters without the prior written consent of one or more members holding Ordinary Shares which in aggregate represent not less than 50 per cent. of the aggregate voting rights attaching to the Shares (which, in the case of the Preference Shares, shall be calculated on an as if converted basis) (each such shareholder being hereinafter

referred to as a Qualifying Shareholder), namely:

- (a) the issue or allotment of Shares of any class which amounts to 10 per cent. or more of the number of Shares of such class or the issue or allotment of Shares generally which in aggregate which amounts to 10 per cent. or more of the number of Shares (on an as if converted basis) in issue immediately prior to such issue and allotment;
- (b) the sale of or the entering into of any option or agreement contemplating the sale of all or a substantial part of the goodwill and/or other assets of the Group;
- (c) the entering into of any agreement outside the ordinary scope of the Group's business involving a capital commitment of the Group of more than £1,000,000;
- (d) the commencement or settlement in any jurisdiction of legal or arbitration proceedings (other than routine debt collection) which would appear likely to involve or might involve an amount in excess of £500,000;
- (e) any acquisition of a company or assets involving a consideration payable by the Group of more than £1,000,000;
- (f) the making of any loans or the giving of any credit or guarantees other than in the normal course of business;
- (g) the raising of any indebtedness other than in the ordinary course of the Group's business;
- (h) the appointment or any material amendment to the terms and conditions of employment of any person appointed as a executive director or in a senior managerial position in the Company; and
- (i) the entering into of any of the above matters by any other member of the Group.

PROVIDED THAT where any Qualifying Shareholder has failed to respond (or to indicate whether or not he/she/it consents or not) to a request for consent within 60 days of such request pursuant to this Article 12.5, he/she/it shall be

deemed to have consented to the actions proposed.

- 12.6 At any meeting of the Directors each Director (or his alternate Director if the Director himself is not present) present at the meeting shall be entitled to one vote. In the case of an equality of votes at any meeting the Chairman of such meeting shall be entitled to a second or casting vote.
- 12.7 Subject to the provisions of Section 317 of the Act a Director (including an alternate Director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. A Director shall also be capable of voting in respect of such contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company or of the arrangement of the terms thereof and may be counted in the quorum at any meeting at which any such matter is considered.
- 12.8 A resolution in writing signed by all the Directors shall be as effective for all purposes 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.
- 12.9 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any subsidiary of the Company) for the benefit of persons employed or formerly employed by the Company or that subsidiary.
- 12.10 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.
- 12.11 (a) The office of a Director shall be vacated if:
- (i) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
 - (ii) he becomes bankrupt or insolvent or makes any arrangement or composition with his creditors; or

- (iii) he is, or may be, suffering from mental disorder and either:
 - (A) 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
 - (B) 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; or
- (iv) (not being precluded from so doing by terms of any contract with the Company) by notice in writing he resigns the office of Director; or
- (v) in accordance with these Articles, he is removed from office by a resolution duly passed pursuant to Section 303 of the Act (but without prejudice to any right he may have to damages by reason of such removal); or
- (vi) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office is vacated; or
- (vii) he is removed from office pursuant to Article 13.

12.12 The provisions of Articles 12.2, 12.3, 12.6 and 12.8 shall apply mutatis mutandis to any meeting of any committee of the Board.

13. Investor Director

13.1 The holders of the 'A' Preference Shares shall be entitled to appoint one Director of the Company (an "Investor Director"), and to remove from office any person so appointed and (subject to removal) to appoint another person in his place.

- 13.2 Any appointment or removal of an Investor Director shall be in writing by a holder or holder(s) of 'A' Preference Shares holding in aggregate a majority of the 'A' Preference Shares in issue at the relevant time and shall take effect on and from the date on which such consent is lodged or deposited at the registered office of the Company.
- 13.3 An Investor Director appointed under this Article 13 may appoint any person as an alternate pursuant to Article 15 without the approval of a resolution of the Directors.
- 13.4 For so long as the right to appoint an Investor Director under this Article 13 subsists, upon a vote being taken in connection with a resolution of the Company in General Meeting to remove such an Investor Director or to restrict or delete this Article, the relevant shareholder(s) entitled to appoint the same (or any nominees therefor holding shares in the Company) shall be entitled to exercise such total number of votes in respect of their holdings of Ordinary Shares as shall equal twice the total number of votes cast on such resolution by all other shareholders of the Company.

14. Borrowing Powers of Directors

The Directors may, subject to Article 12.5, exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of these Articles and of the Act, to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

15. Alternate Directors

- 15.1 Each Director (including, for the avoidance of doubt, an Investor Director) shall have the power at any time to appoint as an alternate Director being either another Director or (except in the case of an Investor Director) any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be

in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.

- 15.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 15.3 An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all General Meetings.
- 15.4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall for any reason cease to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- 15.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but shall count as only one for the purpose of determining whether a quorum is present.

16. Notices

- 16.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices therefor, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not

invalidate the proceedings at the general meeting convened by such notice.

- 16.2 Any notice may be given (i) by the Company to any Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by facsimile transmission or by electronic mail or other means of visible communication to him or to his registered address or to the address or (in the case of facsimile transmission or electronic mail) to the facsimile number or electronic mail address supplied by him to the Company for the giving of notice to him or (ii) by the Company to any member either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post to his registered address or to the address supplied by him to the Company for the giving of notice to him or (iii) to the Company, for the purpose of these Articles by like method, as per (i) above, at its registered office for the time being. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected in the case of first-class post, at the expiration of 24 hours and in the case of second-class post, at the expiration of forty-eight hours after the letter containing the same is posted. Where a notice is sent by facsimile transmission, it shall be deemed to have been served 24 hours after having been successfully despatched in full and if by electronic mail, 24 hours after it was sent provided that the appropriate delivery notification is received by the sender. Notwithstanding anything else provided in these Articles, any Director who has not given an address for service to the Company shall not be entitled to notices hereunder.

17. Indemnity

- 17.1 Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Sections 144 and 727 of the Act, in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall

only have effect in so far as its provisions are not avoided by Section 310 of the Act.

- 17.2 The Company may purchase and maintain insurance against any liability falling upon its directors or other officers or auditors which arises out of their respective duties to the Company or in relation to its affairs.