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THE COMPANIES ACTS 1985 AND 1989
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

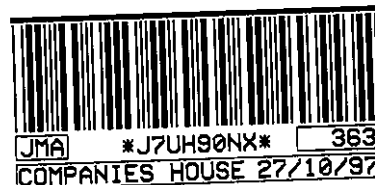
of

LEICESTER CITY PLC

Incorporated on 27 January 1997
(Reprinted as in force on 23 October 1997)

Garretts
Bank House
9 Charlotte Street
Manchester
M1 4EU

Tel 0161 228 0707
Fax 0161 228 1926



THE COMPANIES ACTS 1985 AND 1989
PUBLIC COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
LEICESTER CITY PLC

1. The Company's name is "Leicester City plc"
2. The Company is to be a public company.
3. The Company's registered office is to be situated in England and Wales.
4. The Company's objectives are:
 - (a)(i) To carry on the business of a general commercial company and of a holding company and for these purposes to acquire (by any method or in any manner) and hold either in the name of the Company or in that of any nominee or nominees shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities or investments of any kind or nature and any options or rights in respect of the same or interests in the same, issued or guaranteed by any individual person, association, partnership, company or corporate body (whether with limited or unlimited liability, constituted or carrying on any business in any part of the world) or by any government, sovereign ruler, commissioners, public body or authority (supreme, dependent, municipal, local or otherwise) in any part of the world and from time to time to dispose of, vary and deal with the same;
 - (ii) To exercise and enforce all or any rights or powers conferred by or arising from, or incidental to, any such shares, stocks, debentures, debenture stock, bonds, notes, obligations, securities, investments, options or rights, including (without limitation) all such powers of veto or control as may be conferred or be capable of exercise whether by virtue of the holding by the Company of some special proportion of the issued or nominal amount or otherwise; and
 - (iii) To co-ordinate, finance, manage, administer, control, supervise, direct or plan all or any part of the businesses and/or operations and/or activities of any kind or nature of all or any companies or corporate bodies (whether with limited or unlimited liability and whether formed, constituted, incorporated or acquired, now or in the future, in any part of the world) controlled directly

¹ The Company was incorporated under the name Positive Campaign Limited. On 11 February 1997 the name of the Company was changed to "Soccer Investments Limited" and on 20 March 1997 the Company resolved by Written Resolution to re-register as a public limited company on 23 October 1997 the Company's name was changed to "Leicester City plc".

² Clause 4 was amended by Special Resolution passed on 23 October 1997.

or indirectly by the Company or in which the Company is interested whether as a shareholder or otherwise and whether directly or indirectly; and to provide managerial and other executive, supervisory and consultant services for or in relation to any such company or corporate body upon such terms as may be thought fit.

- (b) To carry on any other business or activity of any nature whatever which may seem to the Directors to be capable of being conveniently or advantageously carried on in connection or conjunction with any business of the Company, whenever authorised, or to be expedient with a view directly or indirectly to enhancing the value of or to rendering profitable or more profitable any of the Company's assets or utilising its skill, know-how or expertise.
- (c) To purchase or by any other means acquire any freehold, leasehold or other property for any estate or interest whatever and any rights or privileges of any kind over or in respect of any property and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used with, or may enhance the value of any other property of the Company.
- (d) To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, offices, factories, mills, works, stadiums, wharves, roads, railways, tramways, machinery, engines, walls, fences, banks, dams, sluices, or water courses and clear sites for the same, or to join with any person, firm or company in doing any of these things, and to work, manage and control these to join with others in so doing.
- (e) To purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, copyrights, secret processes, trade marks, designs, protections and concessions which may appear likely to be advantageous or useful to the Company in pursuit of any trade or business carried on by the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (f) To acquire or undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company chooses to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (g) To improve, manage, cultivate, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.

- (h) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (i) To lend or advance money or give credit to any persons, firms or companies or others having dealings with the Company upon such terms and with or without security and subject to such conditions as may seem desirable and to give guarantees or become security for any such persons, firms, companies or others.
- (j) To guarantee, grant indemnities or otherwise support or secure, either with or without the Company receiving directly or indirectly any consideration, benefit or advantage whether by personal covenant or by mortgaging, charging or granting any other form of security over all or any part of the undertaking, property, assets, rights and revenues (present and future) and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and payment of any moneys whatsoever (including but not limited to principal, interest, commission and other liabilities arising in connection with any borrowings, bonds or guarantees or acceptance credits and capital, premiums, dividends, costs and expenses on any stocks, debenture stock, loan stock, shares or securities) by any person, firm or company, including, but not limited to, those of any company which is for the time being a subsidiary or a holding company (as defined in Section 736 of the Companies Act 1985 or any re-enactment or amendment thereof) or a subsidiary undertaking (as defined by Section 258 of the Companies Act 1985 or any re-enactment or amendment thereof) of the Company or another subsidiary of such holding company or otherwise associated with the Company in business or through shareholdings.
- (k) To borrow and raise money in any manner and to secure the repayment of 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.
- (l) To draw, make, accept, endorse, discount, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable instruments that may be incidental or conducive to the Company's commercial activity.
- (m) To enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) or any corporations, companies or persons, that may seem conducive to the attainment of the Company's object and to obtain from any such government or authority, corporation, company or person, any charters, contracts, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (n) To subscribe for, take, purchase, or otherwise acquire and hold shares, stock or other interests in or obligations of any other company or corporation.
- (o) To promote any other company for the purpose of acquiring all or any of the property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the

placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

- (p) To sell, let, licence, develop or otherwise deal with the whole or any part of the undertaking of the Company, either together or in portions upon such terms, as the Company may think fit with power to accept shares, debentures, or securities of any company purchasing the same.
- (q) To undertake and perform sub-contracts and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- (r) Subject to and in accordance with a due compliance with the provisions of Section 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (s) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment subject to the provisions of the Companies Act 1985 (or any statutory modification or re-enactment thereof) to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise.
- (t) To pay out of the funds of the Company all costs and expenses of or incidental to the promotion formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares or other securities of the Company.
- (u) To purchase and maintain insurance policies to indemnify the officers and auditor of the Company against any costs, expenses and liabilities arising from negligence, default, breach of duty or trust incurred by them in discharge of their duties or in relation thereto pursuant to the provisions contained in section 310(3) of the Companies Act 1985.
- (v) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees; to remunerate the Directors of the Company in any manner the Company may think fit and to pay or provide pensions for or make payments to or for the benefit of any persons who are or were at any time in the employment or service of the Company or of any company for the time being the Company's holding company or subsidiary company as defined by Section 736 of the Companies Act 1985 or otherwise associated with the Company in business and the wives, widows, families and dependants of any such persons; to make payments towards life insurance; to set up, establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons as aforesaid and of their wives, widows, families and dependants, and to set up, establish, support and maintain profit sharing, share option or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary or holding company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.

- (w) To distribute any property of the Company in specie among the members.
- (x) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND it is hereby declared that:

- (i) 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 the foregoing sub-clauses shall be construed independently of each other, except where the context expressly so requires and none of the objects therein mentioned shall be deemed to be merely subsidiary or ancillary to the objects contained in any other sub-clause; and
 - (ii) Without prejudice to the generality of sub-clause (w), such matters as are hereinbefore set out in sub-clauses (b) to (w) are deemed to be incidental or conducive to the Company's object; and
 - (iii) The word "Company" in this clause shall, except where used in reference to this Company, be deemed to include any partnership or other body of persons whether corporate or unincorporate and whether domiciled in any part of the United Kingdom or elsewhere.
5. The liability of the members is limited.
- ³⁶. The Company's share capital is £4,500,000 divided into 45,000,000 Ordinary Shares of 10 pence each.

³ By a Special Resolution passed on 20 March 1997 the share capital was increased to £2,500,000 divided into 25,000,000 Ordinary Shares of 10 pence each.

By a Special Resolution passed on 23 October 1997 the share capital was further increased to £4,500,000 divided into 45,000,000 Ordinary Shares of 10 pence each.

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THE COMPANIES ACTS 1985 TO 1989
A PUBLIC COMPANY LIMITED BY SHARES
NEW
ARTICLES OF ASSOCIATION

(as adopted pursuant to a special resolution passed on 23 October 1997
which became effective on 24 October 1997)

of

SOCCER INVESTMENTS PLC
TO BE RENAMED LEICESTER CITY PLC

PRELIMINARY

1. TABLE A NOT TO APPLY

The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company.

2. DEFINITIONS AND INTERPRETATION

2.1 In these Articles, the words and expressions set out in the first column below shall have the meanings set opposite to them respectively (if such meaning is not inconsistent with the subject or context in which the word or expression is used) :

"the Act"	the Companies Act 1985 (as amended by the Companies Act 1989);
"these Articles"	these Articles of Association as from time to time altered;
"Auditors"	means the auditors for the time being of the Company;
"Board"	the board of Directors from time to time of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present;

"clear days"	in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Company"	Soccer Investments plc to be renamed Leicester City plc;
"Director"	a director for the time being of the Company;
"holder"	in relation to shares the Member whose name is entered in the Register as a holder of those shares;
"interests"	includes without limitation any interests attributed to a person by Schedule 2 of the Act;
"the London Stock Exchange"	London Stock Exchange Limited or its successors;
"Member"	a member of the Company whose name is entered in the Register;
"month"	calendar month;
"Office"	the registered office of the Company for the time being;
"Ordinary Shares"	ordinary shares of 10p each in the capital of the Company;
"paid"	paid or credited as paid;
"present in person"	includes the presence of a company by a duly authorised representative;
"Recognised Person"	a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange who is designated for the purposes of Section 185(4) of the Act;
"Register"	the register of members of the Company;
"Regulations"	the Uncertificated Securities Regulations 1995 (Statutory Instrument 1995/3272), including any modification thereof or any regulations in substitution therefor made under section 207 of the Act and for the time being in force;
"Seal"	the Common Seal of the Company;

"Securities Seal"	an official seal kept by the Company by virtue of Section 40 of the Act;
"share warrant"	a warrant to bearer in respect of shares of the Company, issued by the Company;
"Shares"	shares of any class in the capital of the Company;
"Statutes"	every statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company;
"Transfer Office"	the place where the Register is kept for the time being;
"Uncertificated Securities"	any share, stock, debenture or loan stock or any other form of security of the Company title to which is capable of being shown or transferred without the issue to the owner or owners of such security of a certificate pursuant to the Regulations;
"the United Kingdom"	Great Britain and Northern Ireland;
"in writing"	written or produced by any substitute for writing or partly one and partly another;
"year"	calendar year;

- 2.2 The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".
- 2.3 The expressions "recognised clearing house" and "recognised investment exchange" shall mean any clearing house or any investment exchange granted recognition under the Financial Services Act 1986.
- 2.4 The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary including, but not limited to, a joint, assistant or deputy Secretary.
- 2.5 The words "shareholder" and "holder" shall include (subject to the provisions of these Articles and except where the context in which such word is used requires otherwise) the bearer of any share warrant.
- 2.6 Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.
- 2.7 References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment of the same for the time being

in force (whether coming into force before or after the adoption of these Articles).

- 2.8 Any words or expressions defined in the Act shall (subject as set out in the preceding provisions of this Article) have the same meanings in these Articles (if such meaning is not inconsistent with the subject or the context in which the word or expression is used).
- 2.9 A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is required under these Articles.

SHARE CAPITAL

3. AMOUNT

- 3.1 The authorised share capital of the Company at the date of the adoption of these Articles is £4,500,000 divided into 45,000,000 Ordinary Shares of 10p each.
- 3.2 Subject to the provisions of the Statutes, to these Articles and to any rights attached to any other Shares, any Share may be issued with such rights or restrictions as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Board may determine) including shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder in accordance with the terms of issue.

VARIATION OF RIGHTS

4. MANNER OF VARIATION OF RIGHTS

- 4.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any class may, subject to the provisions of the Statutes and these Articles, be varied or abrogated either in such manner as the special rights provide for, or with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that 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.
- 4.2 All the provisions of these Articles relating to General Meetings of the Company and to the proceedings at such General Meetings shall (so far as applicable and with any necessary modifications) apply to any such separate meeting, except that:
- 4.2.1 the necessary quorum shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question unless there is from time to time only one holder of shares of that class in which case the necessary quorum shall

be one and, at any adjourned meeting, the necessary quorum shall be any holder of shares of the class in quorum or his proxy;

4.2.2 any holder of shares of the class in question present in person or by proxy may demand a poll; and

4.2.3 every such holder shall, on a poll, have one vote for every share of the class held by him.

4.3 The preceding provisions of this Article shall apply to the variation or abrogation of the rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed two separate classes, the rights of which are in each case to be varied.

4.4 The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attached to, or the terms of issue of, such shares, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in no respect in priority to them or by the purchase or redemption by the Company of its own shares in accordance with the provisions of the Statutes and these Articles.

ALTERATION OF SHARE CAPITAL

5. INCREASE OF SHARE CAPITAL

The Company may from time to time by ordinary resolution increase its capital by such sum to be divided into Shares of such amounts as the resolution shall prescribe. All new Shares shall be subject to the provisions of the Statutes and of these Articles in relation to allotment, payment of calls, lien, transfer, transmission, forfeiture and other matters, as if they were part of the original capital.

6. CONSOLIDATION, SUBDIVISION AND CANCELLATION

6.1 The Company may by ordinary resolution:

6.1.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

6.1.2 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;

- 6.1.3 sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject to the provisions of the Statutes). The resolution providing for the sub-division of any share may also provide 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.
- 6.2 Where any difficulty arises in relation to any consolidation or sub-division under Article 6.1, the Directors may settle the same as they think expedient and in particular may make such provision as they think fit for any fractional entitlements which may or would arise, including arrangements under which fractional entitlements are disregarded or the benefit of the same accrues to the Company rather than to the members concerned.

7. PURCHASE OF OWN SHARES

- 7.1 Subject to the provisions of the Statutes and to any rights for the time being attached to any shares and to any confirmation or consent required by law, the Company may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class (including any redeemable shares) on the basis that such purchase is sanctioned by an extraordinary resolution passed at a separate class meeting of the holders (if any) of any class of share which are convertible into shares of another class where such shares would, if so converted, entitle the holders thereof to attend and vote at the general meetings of the Company.
- 7.2 Neither the Company nor the Board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of, or persons entitled by transmission to, shares of the same class or as between them and the holders of, or persons entitled by transmission to, shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

8. REDUCTION OF CAPITAL

Subject to the provisions of the Act and to any rights for the time being attached to any shares and to any confirmation or consent required by law, the Company may by special resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any authorised way.

SHARES

9. RIGHTS ATTACHING TO SHARES ON ISSUE

- 9.1 Without restricting or reducing in any way any special rights previously conferred on the holders of any Shares or class of shares for the time being in issue, any Share in the Company may be issued at any time with such

preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

- 9.2 Subject to the provisions of the Statutes, the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.

10. AUTHORITY TO ALLOT

- 10.1 Subject to the authority of the Company in general meeting required by the Statutes, the Directors shall have unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued Shares of the Company (whether forming part of the original or any increased capital) or rights to subscribe for or convert any security into Shares to such persons, at such times and for such consideration and generally upon such terms and conditions with such rights and privileges attached to them and subject to such restrictions as the Directors may determine (but so that no Shares shall be issued at a discount).
- 10.2 For the purposes of these Articles, a Share in the capital of the Company is deemed paid up (as to its nominal value and any premium on it) in cash, or allotted for cash, if the consideration for the payment up or allotment is cash received by the Company, or is a cheque received by it in good faith which the Directors have no reason for suspecting will not be paid, or is a release of a liability of the Company for a liquidated sum, or is an undertaking to pay cash to the Company at a future date.

11. COMMISSIONS ON ISSUE OF SHARES

In addition to all other powers of paying commissions, the Company may exercise the powers conferred by the Statutes of paying commissions to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any Shares in the Company. Subject to the provisions of the Statutes, such commission may be satisfied by payment of cash or with the sanction of an ordinary resolution of the Company by the allotment of fully or partly paid Shares or the grant of an option to call for an allotment of Shares or by any combination of such methods. The Company may also on any issue of shares pay such brokerage as may be lawful.

12. RENUNCIATION OF ALLOTMENT

The Directors may at any time after the allotment of any Share but before any person has been entered in the Register as the holder of such share recognise a renunciation of the allotment by the allottee in favour of some other person and may give to any

allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

13. EQUITABLE INTERESTS NOT RECOGNISED

Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, nor shall the Company be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest (even when it has notice of such interest) in any Share, or any interest in any fractional part of a Share, or (except only as may be provided for by these Articles or by law) any other right in respect of any Share, except an absolute right to the entirety of the same in the registered holder or, in the case of a share warrant, in the bearer of the share warrant for the time being.

14. UNCERTIFICATED SECURITIES

14.1 With effect from immediately prior to CRESTCo Limited or any other operator (as defined by the Regulations) granting permission for any securities (as defined by the Regulations) of any class held by any Member being transferred by means of the CREST system or any other relevant system (as defined by the Regulations):

14.1.1 title to securities of such class held by any Member may henceforth be transferred by means of such relevant system; and

14.1.2 every Member shall be entitled at his sole discretion to hold securities of such class as uncertificated securities and to transfer title to uncertificated securities of such class registered in his name by means of the relevant system

Subject in each case to the Members being entitled to do so pursuant to the rules (as defined by the Regulations) and to the requirements of the operator of such relevant systems. For the purposes of this Article 14, securities shall not include any shares referred to under Regulation 17 of the Regulations.

14.2 This Article shall apply to the securities of the Company in accordance with its terms notwithstanding any other provision of these Articles inconsistent with:-

14.2.1 the holding of any securities issued or to be issued by the Company as uncertificated securities;

14.2.2 the transfer of title to any securities by means of any relevant system; or

14.2.3 any provision of the Regulations.

SHARE CERTIFICATES

15. GENERAL

Every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of Shares to which it relates and the amount paid up on such Shares. No certificate shall be issued representing shares of more than one class. No certificate shall normally be issued in respect of shares held by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange;

16. JOINT HOLDERS

- 16.1 Where a Share is held jointly by several persons, the Company shall not be obliged to issue more than one certificate for such Share and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.
- 16.2 The Company shall not be bound to register more than four persons as the joint holders of any Share.

17. ISSUE OF SHARE CERTIFICATES

Any person (subject as provided in Articles 15 and 16) whose name is entered in the Register shall, upon the issue or transfer to him of any shares of any class, be entitled without payment to a certificate for the same (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid Shares) within 14 days, or (in the case of a transfer of partly-paid Shares) within two months, after the relevant transfer has been lodged.

18. BALANCE CERTIFICATES

Where some only of the Shares comprised in a share certificate are transferred, the old certificate shall be cancelled and a new certificate issued for the Shares not transferred without payment.

19. REPLACEMENT OF SHARE CERTIFICATES

- 19.1 Any two or more certificates representing shares of any one class held by any member may, at his request, be cancelled and a single new certificate for such shares issued in lieu without charge.
- 19.2 If any member surrenders for cancellation a share certificate representing Shares held by him and requests the Company to issue in lieu two or more share certificates representing such Shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request and may charge to the member any expenses or fees thereby incurred.

- 19.3 If a share certificate has been damaged or defaced or is alleged to have been lost, stolen or destroyed, a new certificate representing the same Shares may be issued to the holder, upon his request and upon delivery up of the old certificate or (if it is alleged that the old certificate has been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
- 19.4 Any such request may be made by any one of the joint holders where the Shares are held jointly by several persons.

CALLS ON SHARES

20. POWER TO MAKE CALLS

The Directors may (subject to the terms of allotment) from time to time make calls as they think fit upon the members in respect of any moneys unpaid on their Shares (whether on account of the nominal value of the shares or, when permitted, in respect of any premium). 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. LIABILITY FOR CALLS

Each member shall (if he has received at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his Shares. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect of such Share. A call may be revoked or postponed if and as the Directors may determine and a Member shall remain liable as primary obligor to the Company for the amount of call notwithstanding that subsequent to the receipt of such call the Member transfers his shares.

22. INTEREST ON OVERDUE AMOUNTS

If a sum called in respect of a Share is not paid before or on the day specified for payment, the person from whom the sum is due shall pay interest on that sum from the day specified for payment to the time of actual payment at such rate (not exceeding 25 per cent. per annum) as the Directors may determine. The Directors may in any case or cases waive payment of all or part of such interest wholly or in part.

23. OTHER SUMS DUE ON SHARES

Any sum (whether on account of the nominal value of the Share or in respect of any premium) which, by the terms of allotment of a Share, becomes payable upon allotment or at any 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

allotment the same becomes payable. If such sum is not paid, 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. POWER TO DIFFERENTIATE BETWEEN HOLDERS

The Directors may, on the allotment of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. PAYMENT OF CALLS IN ADVANCE

The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the Shares or in respect of any premium) uncalled and unpaid upon the Shares held by him. Such payment in advance of calls shall extinguish, to that extent, the liability upon the Shares in respect of which it is made. The Company may pay interest at such rate as the member paying such sum and the Directors may agree on the moneys so received (until and to the extent that the same would but for such advance become payable) **PROVIDED THAT** no dividend shall be payable on any amount paid up on a Share in excess of the amount for the time being called up on such Share.

FORFEITURE AND LIEN

26. NOTICE ON FAILURE TO PAY A CALL

- 26.1 If a member or person entitled to a Share by transmission fails to pay in full any call or instalment of a call on or before the due date for payment, the Directors may, at any time after the due date for payment, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued on the unpaid amount and any expenses incurred by the Company because of such non-payment.
- 26.2 The notice shall specify a further day (which must be at least 7 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. The notice must also state that, if the amount specified in the notice is not paid as required by the notice, the Shares on which the call has been made will be liable to be forfeited.

27. FORFEITURE FOR NON-COMPLIANCE

If the requirements of any notice given under Article 26 are not complied with, at any time after such non-compliance and before payment has been made of all calls and interest and expenses due in respect of any Share in respect of which such notice has been given, any such Share may be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Share and not actually paid before forfeiture. The Directors may accept a surrender of any Share liable to be forfeited under these Articles.

28. DISPOSAL OF FORFEITED SHARES

Subject to the provisions of the Statutes, a Share which has been forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before such forfeiture or surrender, the holder of or entitled to the same or to any other person upon such terms and in such manner as the Directors may think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered Share to any such other person. Any Share not disposed of within a period of three years from the date of its forfeiture shall be cancelled in accordance with the provisions of the Act. 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.

29. HOLDER TO REMAIN LIABLE DESPITE FORFEITURE

A member or person entitled to a Share by transmission whose Shares have been forfeited or surrendered shall cease to be a member or shall cease to be entitled to be registered as a member in respect of those Shares and shall surrender to the Company for cancellation the certificate for such Shares. Such member shall, despite the forfeiture or surrender, remain liable to pay to the Company all moneys which, at the date of the forfeiture or surrender, were presently payable by him to the Company in respect of the Shares together with interest on such sum at 25 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until the date of payment. The Directors may, in their absolute discretion, enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal or may waive payment in whole or in part.

30. LIEN ON PARTLY-PAID SHARES

The Company shall have a first and paramount lien on every Share which is not fully-paid for all moneys (whether then payable or not) called or payable at a fixed time in respect of such Share. 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.

31. SALE OF SHARES SUBJECT TO LIEN

31.1 The Company may sell in such manner as the Directors think fit any Share on which the Company has a lien. No sale shall be made unless:

31.1.1 some sum in respect of which the lien exists is then payable; and

31.1.2 a notice in writing has been given to the holder for the time being of the Share or to the person otherwise entitled to the same stating, and demanding payment of, the sum then payable and giving notice of the intention to sell because of the default; and

31.1.3 14 days has expired after the delivery of such notice.

32. PROCEEDS OF SALE OF SHARES SUBJECT TO LIEN

The net proceeds of such sale (after payment of the costs of such sale) shall be used to pay the amount in respect of which the lien exists so far as the same is then payable. Any balance remaining shall, upon surrender to the Company for cancellation of the certificate for the Shares sold, be paid to the person entitled to the Shares at the time of the sale if and to the extent that no lien still subsists for sums not yet payable in relation to the Shares sold. To effect any such sale, the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

33. EVIDENCE OF FORFEITURE

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 stated in such declaration, against all persons claiming to be entitled to the Share. Such declaration shall (subject to the execution of a transfer if the Share is to be transferred) constitute a good title to the Share and title to the Share shall not be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Share. The person to whom the share is sold, re-allotted or disposed of shall not be obliged to investigate to whom or where or how the consideration (if any) is paid nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

34. FORM OF TRANSFER

Any Share not represented by a share warrant may be transferred by using a written transfer in any usual or common form or in any other form acceptable to the Directors. The form of transfer need not be executed as a deed but must be signed by or on behalf of the transferor and, if the relevant Share is not fully paid, also by or on

behalf of the transferee. The transferor shall remain the holder of the Share concerned until the name of the transferee is entered in the Register as the holder of that Share.

35. DISTINGUISHING NUMBERS

If at any time all the issued shares of the Company or all the issued shares of a particular class are fully paid up and rank *pari passu* for all purposes none of the shares or the shares of that class as the case may be shall thereafter (subject to any resolution of the directors to the contrary) have a distinguishing number so long as it remains fully paid up and ranks *pari passu* for all purposes with all other shares or the shares of the same class as the case may be for the time being issued and fully paid up.

36. RIGHT TO REFUSE REGISTRATION

36.1 The Directors may in their absolute discretion, and without giving any reason, refuse to register a transfer:

36.1.1 of a Share which is subject to transfer restrictions in relation to a notice served under Section 212 of the Act;

36.1.2 of a Share which is not fully paid up;

36.1.3 of a Share on which the Company has a lien;

36.1.4 which is in respect of more than one class of share;

36.1.5 which is in favour of more than four joint holders as transferees;

36.1.6 which is not duly stamped (if so required); or

36.1.7 which is not lodged (duly stamped if required) at the Transfer Office, together with the relative share certificate(s) and, subject to Article 36.4, such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the form of transfer is executed by some other person on his behalf, the authority of the person so to do)

PROVIDED THAT, if at any time any partly paid shares have been admitted to the London Stock Exchange Official List or to trading on the London Stock Exchange's Alternative Investment Market ("AIM"), the Directors shall not exercise their right to refuse to register transfers of such shares in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

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

36.3 Nothing in these Articles shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person but, for the purposes of this Article, such renunciation shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect to it as if the renunciation were a transfer.

36.4 In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, share certificates need only be lodged if and to the extent that certificates have been issued for the shares in question.

37. RETENTION OF TRANSFERS

All forms of transfer which are registered may be retained by the Company.

38. NO FEE ON REGISTRATION

No fee will be charged by the Company in respect of the registration of any form of transfer 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.

39. CLOSURE OF REGISTER

The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may from time to time determine. Any such suspension may be a general one for all Shares or may relate only to a particular class of Shares.

40. BRANCH REGISTER

Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may arrange for a branch register to be kept in any territory, of members resident in such territory. The Directors may make, and vary, such regulations as they may think fit regarding the keeping of any such register.

TRANSMISSION OF SHARES

41. PERSONS ENTITLED ON DEATH

If a shareholder dies, 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. However, 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.

42. ELECTION BY PERSONS ENTITLED BY TRANSMISSION

A person becoming entitled to a share as a result of the death or bankruptcy of a member or through the operation of law may (subject to the provisions set out below), upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, either be registered himself as holder of the share (if he notifies the Company accordingly) or transfer such share to some other person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notification or transfer which shall be treated as if it were a transfer executed by the member registered as the holder of any such share. The Directors may at any time give notice requiring any such person to elect as mentioned above and, if such notice is not complied with within 60 clear days, the Directors may afterwards withhold payment of all dividends and other moneys payable in respect of such share until compliance with such notice.

43. RIGHTS OF PERSONS ENTITLED BY TRANSMISSION

Except where stated to the contrary in these Articles, a person becoming entitled to a share as a result of the death or bankruptcy of a member or through the operation of law 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. However, such person shall not be entitled (except with the permission of the Directors) to exercise any right conferred by membership in relation to shareholders' meetings until he has been registered as a member in respect of the share.

44. SHARE WARRANTS

- 44.1 The Company may issue, with respect to any of its fully-paid shares, share warrants stating that the bearer is entitled to the Shares specified in the share warrant, and may provide, by coupons or otherwise, for the payment of future dividends or other moneys on or in respect of the Shares included in such share warrants.
- 44.2 A share warrant shall entitle the bearer of the same to the Shares included in it. Those Shares may be transferred by the delivery of the share warrant and the provisions of these Articles regarding the transfer and transmission of Shares shall not apply to the same. Each share warrant shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory).
- 44.3 The Directors shall be entitled to accept a certificate (in such form and from such person as the Directors may approve) to the effect that a specified person is shown in the records of the person issuing such certificate as being entitled to the shares comprised in a specified share warrant as sufficient evidence of

the facts stated in such certificate. The Directors shall also be entitled to treat the deposit of such certificate at the Transfer Office (or any other place specified from time to time by the Directors) as equivalent to the deposit there of the share warrant, and may allot to the person named in such certificate any shares to which the bearer of the share warrant referred to in such certificate may be entitled. The right of the allottee to the allotment shall not, after any such allotment, be questioned by any person.

- 44.4 The Directors may determine, and from time to time vary, the conditions upon which share warrants shall be issued, including, without limitation, those upon which:

44.4.1 a new share warrant or coupon will be issued in the place of one worn out, defaced, lost or destroyed (but no new share warrant may be issued to replace one that has been lost or destroyed unless the Directors are satisfied beyond reasonable doubt that the original share warrant has been destroyed);

44.4.2 (subject as set out below) the bearer of a share warrant shall be entitled to attend, vote and demand a poll at General Meetings; and

44.4.3 a share warrant may be surrendered and the name of the holder entered in the Register in respect of the shares specified in such share warrant.

The conditions for the time being in force relating to share warrants (whether made before or after the issue of any particular share warrant) shall apply to the bearer of a share warrant unless stated to the contrary in any such conditions or in these Articles.

45. UNTRACED SHAREHOLDERS

- 45.1 The Company shall be entitled to sell, at the best price reasonably obtainable at the time of sale, the Shares of a member or the Shares to which a person is entitled through transmission on death or bankruptcy or by the operation of law if:

45.1.1 so far as any Director or the Secretary is aware, during the period of 12 years prior to the date of the publication of the advertisements referred to in Article 45.1.2 (or, if published on different dates, the first such date) no communication has been received by the Company from such member or person, no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to such member or person at his address on the Register or any other last known address given by such member or person to which cheques and warrants are to be sent has been cashed and at least three dividends in respect of the Shares have become payable and no dividend in respect of those Shares has been claimed; and

45.1.2 the Company shall, on or after the expiry of a period of 12 years, have inserted advertisements in both a leading national daily newspaper and in a newspaper circulating in the area in which the last known

address of such member or person or the address at which service of notices may be effected in the manner authorised by these Articles is located giving notice of its intention to sell the relevant Shares; and

45.1.3 during the period of three months following the publication of such advertisements, the Company shall have received no communication from such member or person entitled by transmission; and

45.1.4 notice shall have been given to the London Stock Exchange of the Company's intention to make such sale and drafts of the advertisements shall have been submitted to the London Stock Exchange for approval.

45.2 To effect any such sale, the Company may appoint any person to execute, as transferor, a form of transfer of the relevant Shares. Such form of transfer shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, such Shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the transfer of the relevant Shares. The net proceeds of sale shall belong to the Company but the Company shall be obliged to account to the former member or other person previously entitled to the relevant Shares for an amount equal to such net proceeds and shall enter the name of such former member or other person in its books as a creditor for such amount. Such amount shall be a permanent debt of the Company. No trust shall be created in respect of such debt, nor shall any interest be payable in respect of the same. The Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than Shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

GENERAL MEETINGS

46. ANNUAL AND EXTRAORDINARY GENERAL MEETINGS

An Annual General Meeting shall be held once in every year, at such time (but not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

47. CONVENING OF GENERAL MEETINGS

The Directors may whenever they think fit and shall, on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting. Any meeting convened under this Article by requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors. If at any time there are not within the United Kingdom sufficient Directors capable of acting together to form a quorum, any Director may convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

48. LENGTH OF NOTICE FOR GENERAL MEETINGS

- 48.1 An Annual General Meeting and any Extraordinary General Meeting at which it is proposed to pass a special resolution or (except as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least 21 clear days' notice in writing and any other Extraordinary General Meeting by at least 14 clear days' notice in writing. The notice shall be given in the manner provided for in these Articles to all members other than those who are not, under the provisions of these Articles, entitled to receive such notices from the Company. The accidental omission to send a notice or any accompanying circular, or where required by these Articles, a proxy form with a notice and such circular to, or the non-receipt of any notice or circular or proxy form by, any member, any Director or the Auditors shall not invalidate the proceedings at any General Meeting.
- 48.2 A General Meeting shall be deemed to have been duly called even if the notice given is less than that specified in Article 48.1 if it is so agreed:
- 48.2.1 in the case of an Annual General Meeting, by all the members entitled to attend and vote at that meeting; and
- 48.2.2 in the case of an Extraordinary General Meeting, by a majority in number of the members having a right to attend and vote at that meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

49. CONTENTS OF NOTICE OF GENERAL MEETINGS

- 49.1 Every notice calling a General Meeting shall specify the place and the day and hour of the meeting. The notice shall also state reasonably prominently that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him and that a proxy need not be a member of the Company.
- 49.2 The notice shall specify the general nature of the business to be transacted at the meeting. 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.
- 49.3 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

50. CHAIRMAN

The Chairman of the Board, or failing him the Deputy Chairman of the Board, shall preside as chairman at a General Meeting. If there is no such Chairman or Deputy Chairman or if, at any meeting, neither is present within five minutes after the time

appointed for holding the meeting and willing to act, the Directors present shall choose one of their number to be chairman of the meeting. If no Director is present or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.

51. QUORUM

No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

52. LACK OF QUORUM

If within half an hour from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to wait) a quorum is not present or if, during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall be adjourned to such other day and such time and place as may have been specified for that purpose in the notice convening the meeting or, if not so specified, as the chairman of the meeting may determine.

53. ADJOURNMENT

53.1 The Chairman of any General Meeting may at any time, without the consent of the meeting, adjourn any meeting (whether or not it has commenced or a quorum is present) to another time and place, where it appears to him that the members wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, the conduct of persons present prevents or is likely to prevent the orderly continuation of business or an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

53.2 The chairman of any General Meeting at which a quorum is present may, with the consent of the meeting, (and shall if so directed by the meeting) adjourn the meeting to another time (or indefinitely, to no fixed time) and another place. 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 indefinitely, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or indefinitely, at least seven days' notice of the adjourned meeting shall be given in the same manner as the notice for the original meeting.

54. NOTICE OF ADJOURNED MEETING

Except as required by any other Article, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

55. AMENDMENTS TO RESOLUTIONS

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

56. RIGHT TO ATTEND AND SPEAK

The Chairman may invite any person to attend and speak at any general meeting of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

POLLS

57. DEMAND FOR POLL

57.1 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

57.1.1 the chairman of the meeting; or

57.1.2 at least two members present in person or by proxy and entitled to vote; or

57.1.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

57.1.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to at least one-tenth of the total sum paid up on all the shares conferring that right.

57.2 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

58. PROCEDURE ON A POLL

A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct. 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 (who need not be members) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

59. VOTING ON A POLL

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

60. TIMING OF POLL

A poll demanded on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (within a period of 30 days from the date of the meeting) and place as the chairman may direct. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES

61. VOTES ATTACHING TO SHARES

Subject to any special rights or restrictions as to voting attached by, pursuant to or in accordance with these Articles to any class of Shares, on a show of hands every member who is present in person shall have one vote and on a poll, every member who is present in person or by proxy shall have one vote for every Share of which he is the holder.

62. VOTES OF JOINT HOLDERS

Where a Share is registered in the joint names of two or more persons, the vote tendered (whether in person or by proxy) by the person whose name precedes that or those of the other joint holder(s) so voting in the Register in respect of such Share, shall be accepted to the exclusion of those other votes but any one of such persons may vote at any meeting either personally or by proxy in respect thereof as if he was solely entitled to.

63. CHAIRMAN'S CASTING VOTE

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote, in addition to any other vote he may have.

**64. DISCLOSURE OF INTERESTS IN SHARES AND RESTRICTION ON VOTING
IN PARTICULAR CIRCUMSTANCES**

- 64.1 No member shall, unless the Directors otherwise determine, be entitled, in respect of any Share held by him to vote either personally or by proxy at a General Meeting or to exercise any other right conferred by membership in relation to General Meetings if any call or other sum presently payable by him to the Company in respect of that Share remains unpaid.
- 64.2 If any member, or any other person appearing to be interested in Shares held by such member, has been duly served with a notice under section 212 of the Act and is in default for the prescribed period in supplying to the Company the information required by such notice, then (unless the Directors otherwise determine) in respect of the relevant Shares (as defined in Article 64.3), the member shall not (for so long as the default continues) nor shall any transferee to whom any of such Shares are transferred (other than pursuant to an approved transfer or pursuant to Article 64.4.3) be entitled to attend and vote, either personally or by proxy, at a shareholders' meeting.
- 64.3 In this Article 64, "relevant Shares" means:
- 64.3.1 all the Shares in the shareholding account in the Register which comprises or includes the default Shares; and
- 64.3.2 any other Shares from time to time held by the member concerned;
- and "default Shares" means those shares in relation to which the default referred to in Article 64.2 has occurred and any further Shares issued in respect of those Shares.
- 64.4 Where the default Shares represent at least 0.25 per cent. of the issued shares of the class in question, the Directors, may in their absolute discretion, by giving notice (a "direction notice") to the member concerned direct that:
- 64.4.1 the whole or any part of any dividend which would otherwise be payable in respect of the default Shares shall be retained by the Company (without any liability to pay interest on such moneys when they are finally paid to the member); and/or
- 64.4.2 all or any shares which would otherwise be issued by the Company in lieu of a cash dividend on the default Shares shall be withheld from the member or otherwise retained by the Company (without any liability to pay compensation in respect of such Shares when they are finally issued or released to the member); and/or
- 64.4.3 no transfer of any relevant Shares shall be registered unless the transfer is an approved transfer or:
- (a) the member is not himself in default as regards supplying the information required; and

- (b) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate from the member in a form satisfactory to the Directors to the effect that, after due and careful enquiry, the member is satisfied that none of the shares comprised in the transfer are default Shares.

The terms of a direction notice shall apply as soon as it has been given.

64.5 The Company shall send to each other person appearing to be interested in the shares covered by a direction notice a copy of the notice, but the failure or omission by the Company so to do shall not invalidate such notice.

64.6 Except as provided in this Article 64, any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues and shall cease to have effect:

64.6.1 upon due compliance, to the reasonable satisfaction of the Directors, with the notice referred to in Article 64.2; or

64.6.2 if earlier, upon the transfer of any relevant Shares by an approved transfer or in accordance with Article 64.4.3 (but only in relation to the relevant Shares so transferred).

The Directors shall notify promptly in writing the member concerned if the direction notice ceases to have effect pursuant to Article 64.6.1

64.7 For the purposes of this Article 64

64.7.1 a person shall be treated as appearing to be interested in any Shares if the member holding such shares has been served with a notice under section 212 of the Act and either:

- (a) the member has named such person as being so interested; or
- (b) (after taking into account the response of the member to such notice and any other relevant information) the Directors know or have reasonable cause to believe that the person in question is or may be interested in the Shares;

64.7.2 the prescribed period is 14 days from the date of service of the notice under section 212 of the Act : and

64.7.3 a transfer of shares is an approved transfer if:

- (a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a take-over offer made to all holders (other than the person making such offer and his nominees) of shares (or of shares of a particular class) in a company; or
- (b) the Directors are satisfied that the transfer is made pursuant to a bona fide sale of the whole of the beneficial ownership of the shares to a party unconnected with the member or with any

person appearing to be interested in such shares (including any such sale made through or on a dealing facility provided by the London Stock Exchange or made through such Exchange or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded). For the purposes of this sub-paragraph (b), any associate (as that term is defined in section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares.

64.8 The provisions of this Article 64 are in addition to, and shall not limit or restrict any powers available under, the Act.

64.9 The Company and the Board will not be liable to any person as a result of the restrictions under this Article 64 if the Board has acted in good faith.

65. VOTING BY GUARDIAN

If in England or elsewhere a guardian, receiver or other person (by whatever name called) has been appointed by any court claiming the right or entitlement to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such guardian, receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

66. VALIDITY AND RESULT OF VOTE

66.1 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered. Every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

66.2 Unless a poll is taken, 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. RESOLUTIONS IN WRITING

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

PROXIES

68. PROXY NEED NOT BE A MEMBER

A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion. Deposit of a form of proxy shall not preclude a member from attending and voting in person at any meeting or adjournment of it or on a poll.

69. FORM OF PROXY

The document appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve. The Directors may, if they think fit, but subject to the provisions of the Statutes and the rules and regulations of the London Stock Exchange, send out with the notice of any General Meeting forms of proxy for use at the meeting. The form of proxy shall:

- 69.1 in the case of an individual member, be signed by that individual or his attorney; and
- 69.2 in the case of a member which is a corporation, be either sealed with its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The signature on any such form of proxy need not be witnessed. Where a form of proxy is signed on behalf of the member by an attorney, the letter or power of attorney or a duly certified copy of the same must (if it has not been previously registered with the Company) be lodged with the form of proxy in the manner set out in Article 70; if such letter or power or copy is not so lodged, the form of proxy may, in the absolute discretion of the chairman of the meeting, be treated as invalid.

70. DEPOSIT OF FORM OF PROXY

A form of proxy must be left at such place or one of such places (if any) as may be specified for that purpose in, or by way of note to, or in any document accompanying, the notice convening the meeting (or, if no place is so specified, at the Transfer Office) at least 48 hours (or such lesser time as may be specified in such notice or accompanying document) before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll which is not taken at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used. If the form of proxy is not so delivered, it will not be treated as valid. Any form of proxy will be valid for any adjournment of a meeting to which it relates, unless it is stated on the relevant form that the form of proxy cannot be used at any such adjournment. If a form of proxy relates to more than one meeting (including any adjournment of any meeting) and has been delivered as required by this Article 70 for or in respect of one of those meetings, it will be valid for all subsequent meetings to which it relates and need not be re-delivered.

71. RIGHTS OF PROXY

A form appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

72. REVOCATION OF PROXY

A vote cast or demand for a poll made by a proxy shall not be invalidated by the previous death or incapacity of the member or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of such death, incapacity or revocation has been received by the Company at the Transfer Office (or such other place in the United Kingdom as may be specified for the delivery of forms of proxy in the notice convening the meeting or other document sent with such notice) at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll which is not taken at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast. A Member who is a patient within the meaning of the Mental Health Act 1983, may vote, whether on a show of hands or on a poll, by his receiver or curator bonis and such receiver or curator bonis may on a poll vote by proxy.

73. CORPORATIONS ACTING BY REPRESENTATIVES

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 (who need not be a member of the Company) to act as its representative at any shareholders' meeting. 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. 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 at that meeting.

DIRECTORS

74. NUMBER OF DIRECTORS

Subject as set out in these Articles, the minimum number of Directors shall be two and the maximum number shall be twelve. The Company may by ordinary resolution from time to time vary the minimum number and/or maximum number of Directors.

75. SHARE QUALIFICATION

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

76. DIRECTORS' FEES

Fees payable to the Directors (which shall, for the avoidance of doubt, exclude remuneration payable to any Director under any service contract or contract for services) shall from time to time be determined by the Directors but such remuneration shall not exceed £250,000 per annum (excluding value added tax) in aggregate to be apportioned as to upto £150,000 for non-executive directors and as to upto £100,000 for executive directors or such higher amount as may from time to time be determined by ordinary resolution of the Company. Such remuneration shall (unless such ordinary resolution provides to the contrary) be divisible among the Directors as they may agree, or, failing agreement, equally, but any Director who holds office for part only of the period in respect of which such remuneration is payable shall be entitled only to a proportion of such remuneration, related to the period during which he has held office.

77. OTHER REMUNERATION OF DIRECTORS

Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whether or not such office is held in an executive capacity) or who serves on any committee of the Directors or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission or other means or may receive such other benefits as the Directors may determine.

78. DIRECTORS' EXPENSES

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 shareholders' meetings or otherwise in or in connection with or about the business of the Company.

79. PENSIONS AND OTHER BENEFITS

79.1 The Board or any committee authorised by the Board may exercise all the powers of the Company or join with other companies being subsidiaries of the Company or companies with which it is associated in business, whether by establishing and making contributions out of the Company's monies to any schemes or funds for providing pensions, annuities, sickness or compassionate allowances, life assurance benefits, donations, gratuities or other benefits for employees or allowances or by insurance or otherwise to any persons who are or have been at any time been directors (or holders of

any equivalent or comparable office) of, or employed by or in any executive office under the Company or any company which is a subsidiary undertaking of, allied to or associated with the Company or any ex-employees of the Company and of any such other companies and their spouses or former spouses, relatives, families or dependants or any class or classes of such person.

- 79.2 The Directors may pay, enter into agreements to pay or make grants revocable or irrevocable (and either subject or not subject to any terms or conditions) of pensions or other retirement, superannuation, death or disability benefits to Directors, employees and ex-employees and their spouses or former spouses, relatives, families or dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or any such scheme or fund as aforementioned. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.
- 79.3 The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as set out in or otherwise to advance the interests and well-being of the Company or of any such other company, or its members, and payments for or towards the insurance of any such person as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.
- 79.4 The Directors may also sanction the exercise of any power conferred upon the Company by Section 719 of the Act (relating to the making of provision for employees on cessation or transfer of business).

80. DIRECTORS' INTERESTS IN CONTRACTS

A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested. A Director may also hold and be remunerated in respect of any office or position (other than the office of Auditor) under or in the Company or any other company in which the Company is in any way interested. Such Director (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated for so acting. Any such Director may (save as otherwise agreed by him) retain for his own absolute use and benefit all profits, benefits and advantages which he may derive or receive (directly or indirectly) from or as a result of any such contract, arrangement, or transaction, office or position or so acting.

81. APPOINTMENT OF EXECUTIVE DIRECTORS

- 81.1 The Directors may from time to time appoint any one or more Directors to be the holder of any executive office (including, where considered appropriate, the office of Group Managing Director, Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine. The Directors may, without limiting or prejudicing in any way the terms of any contract entered into in any particular case, at any time revoke or vary the terms of any such appointment.
- 81.2 The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall terminate automatically if he ceases to be a Director but any such termination shall not, of itself, limit or reduce in any way any claim for damages which he may have for breach of any contract of service between him and the Company.
- 81.3 The appointment of any Director to any other executive office shall not terminate automatically if he ceases to be a Director, unless the contract or resolution under which he holds such executive office shall expressly state that such termination is to occur, in which event such termination shall not, of itself, limit or reduce in any way any claim for damages which he may have for breach of any contract of service between him and the Company.

82. POWERS OF EXECUTIVE DIRECTORS

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

APPOINTMENT AND RETIREMENT OF DIRECTORS

83. AGE LIMIT

A person who has attained the age of 70 may only be appointed or re-appointed a Director if his appointment is made or approved by the Company in general meeting of which special notice has been given. Where any general meeting of the Company is convened at which, to the knowledge of the Directors, a Director will be proposed for appointment or re-appointment who will at the date of the meeting be 70 or more, the Directors shall give notice of that Director's age in the notice convening the meeting or in any documents accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or appointment or re-appointment of that Director at the meeting. A Director who shall have attained the age of 70 shall vacate his office at the conclusion of the annual general meeting commencing next

after he attains the age of 70 unless the Company in general meeting approves his re-election.

84. RETIREMENT BY ROTATION

At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation. If there is only one Director subject to retirement by rotation he shall retire and if there are only two Directors subject to retirement by rotation at least one of them shall retire.

85. SELECTION OF DIRECTORS TO RETIRE BY ROTATION

- 85.1 Subject to the provisions of the Act and these Articles the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors required to retire by rotation, who have been longest in office since their appointment or last re-election. As between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. A retiring Director shall be eligible for re-election.
- 85.2 The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Meeting of the Directors at the start of business on the date of the notice convening the Annual General Meeting and no Director shall be required to retire or be relieved of retiring by reason of any change in the number or identity of the Directors after that time on the date of the notice but before the close of the meeting.

86. RE-ELECTION OF RETIRING DIRECTOR

The Company at the meeting at which a Director retires under any provision of these Articles may, by ordinary resolution, fill the vacancy by electing the retiring Director or some other person eligible for election. If no such election is made, the retiring Director shall be deemed to have been re-elected except in any of the following cases:

- 86.1 where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- 86.2 where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
- 86.3 where the failure to elect a Director is caused by a resolution being proposed in contravention of Article 87;

86.4 where such Director has reached any retiring age applicable to him as Director.

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

87. ELECTION OF TWO OR MORE DIRECTORS

A single resolution which provides for the election of two or more persons as Directors shall not be proposed at any General Meeting unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it. Any resolution proposed or passed in contravention of this provision shall be void.

88. NOMINATION OF DIRECTOR FOR ELECTION

No person, other than a Director retiring at the meeting or a person recommended by the Directors for election, shall be eligible for election as a Director at any General Meeting unless at least 7 (but not more than 28) clear days before the date appointed for the meeting, there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, together with notice in writing signed by the person to be proposed of his willingness to be elected.

89. ELECTION OR APPOINTMENT OF ADDITIONAL DIRECTOR

The Company may by ordinary resolution elect, and (without restricting in any way that power of the Company) the Directors shall have power at any time to appoint, any person to be a Director either to fill a vacancy or as an additional Director (but so that the total number of Directors shall not, as a result, exceed the maximum number (if any) fixed by or in accordance with these Articles). Any person so appointed by the Directors must retire at the next Annual General Meeting but will then be eligible for re-election at that meeting. Any Director so retiring shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

90. TERMINATION OF OFFICE

A Director shall cease to be a Director in any of the following events, namely:

- 90.1 if he ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Articles or he becomes prohibited by law from acting as a Director;

- 90.2 if he delivers a signed, written resignation to the Office or if he offers in writing to resign and the Directors resolve to accept such offer;
- 90.3 if he has a bankruptcy order made against him or settles or agrees terms with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- 90.4 if in England or elsewhere an order is made by any court claiming the right so to do, on the grounds (however formulated) of mental disorder, for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- 90.5 if he is removed from office as a Director by notice in writing served upon him signed by all his co-Directors. If any such Director has been appointed to an executive office which thereby automatically terminates, such removal shall be treated as an act of the Company and shall not, of itself, limit or restrict any claim which he may have for damages for breach of any contract of service between him and the Company;
- 90.6 he and his alternate (if any) fail to attend meetings of the Directors for six consecutive months without leave of absence from the Directors and the Directors resolve that his office be vacated;
- 90.7 he is convicted of an indictable offence and the Directors shall resolve that it is undesirable in the interests of the Company that he remain a Director;
- 90.8 the conduct of a Director (whether or not concerning the affairs of the Company) is the subject of an investigation by an inspector appointed by the Secretary of State or by the Serious Fraud Office and the Directors shall resolve that it is undesirable in the interests of the Company that he remain a Director;

91. REMOVAL OF DIRECTOR

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 as a Director (notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without limiting or restricting any claim he may have for damages for breach of any such agreement) and elect another person in place of a Director so removed from office. Any person so elected 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 elected was appointed or last re-elected a Director. If no person is so elected, the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

MEETINGS AND PROCEEDINGS OF DIRECTORS

92. CONVENING OF MEETINGS OF DIRECTORS

- 92.1 Subject to the provisions of these Articles, the Directors may meet together, and regulate their proceedings, as they think fit. At any time any Director may, and the Secretary at the request of a Director shall, summon a meeting of the Directors. Notice of a meeting of Directors need not be given to any Director who is for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive.
- 92.2 A Director absent or intending to be absent from the United Kingdom may request that notices of meetings of Directors shall during his absence be sent in writing to him at an address given by him to the Company for this purpose but such notices need not be given any earlier than notices given to Directors not so absent.

93. QUORUM

The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

94. CHAIRMAN

- 94.1 The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman has been appointed or if, at any meeting of the Directors, no Chairman or Deputy Chairman is present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.
- 94.2 If at any time, in the absence of the Chairman, there is more than one Deputy Chairman present and the Directors cannot resolve which one should preside at any meeting of the Directors or of the Company, the Deputy Chairman who was appointed first to that post shall preside.

95. VOTES AND CHAIRMAN'S CASTING VOTE

Questions arising at any meeting of the Directors 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.

96. RESTRICTIONS ON VOTING

- 96.1 Except as provided in these Articles, a Director shall not vote in respect of any contract or arrangement or any other proposal of any kind in which he has an interest which, either of itself or when taken together with any interest of any person connected with him, is a material interest otherwise than by virtue of his interests in shares or debentures or other securities of, the Company 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 not entitled to vote.
- 96.2 Subject to the provisions of the Statutes, a Director shall (if he has no other material interest beyond that indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
- 96.2.1 the giving to him 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 for the benefit of the Company or any of its subsidiary undertakings;
 - 96.2.2 the giving by the Company or any of its subsidiary undertakings of any security, guarantee or indemnity to a third party 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;
 - 96.2.3 any proposal concerning an offer of shares or debentures or other securities of or obligations of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - 96.2.4 any proposal concerning any other body corporate in which he is in any way interested (directly or indirectly) provided that he (either individually or together with persons connected with him within the meaning of section 346 of the Act) is not the holder of or beneficially interested in more than one per cent. of the issued shares of any class of such body corporate (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate;
 - 96.2.5 any proposal concerning the adoption modification or operation of or in any other way concerning a superannuation fund, retirement, death or disability benefits scheme or employees' share scheme under which he may benefit and which either (a) has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes or (b) relates both to employees and Directors of the Company (or any of its subsidiary undertakings) and does not give him any privilege or benefit not given to the employees to whom such scheme or fund relates; or

- 96.2.6 any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors or for persons who include Directors.
- 96.3 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or other positions with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately. In any such case, each of the Directors concerned (if not barred from voting under Article 96.1) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 96.4 If a question arises at any time as to the materiality of a Director's interest or as to his entitlement 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 interest of such Director has not been fairly disclosed. If the Director in question is the Chairman then the other Directors shall appoint one of their members to be chairman for the purposes of such reference only.

97. NUMBER OF DIRECTORS BELOW MINIMUM

The continuing Directors may act notwithstanding any vacancies but, if and for 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 such vacancies or of summoning General Meetings, but not for any other purpose. If there are no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

98. WRITTEN RESOLUTIONS

A resolution in writing signed by all the Directors (or, in the case of a committee, all the members of such committee) entitled to vote on the same shall be as valid and effective as a resolution duly passed at a meeting of the Directors (or of such committee) and may consist of several documents in the like form each signed by one or more Directors.

99. VALIDITY OF PROCEEDINGS

All acts done by any meeting of Directors, or of any committee of the Directors, or by any person acting as a Director or as a member of any such committee, shall, as regards all persons dealing in good faith with the Company, be as valid as if every such Director or person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote even if there was some defect in the appointment of any such Director or other person, or that any of them was disqualified or had left office, or was not entitled to vote.

100. PARTICIPATION IN MEETING BY TELEPHONE

All or any of the Directors or of the members of any committee of the Directors may participate in a meeting by means of a conference telephone or any communications equipment which allows all persons participating in the meeting to hear and speak to each other. 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 a quorum. 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.

COMMITTEES OF THE DIRECTORS

101. APPOINTMENT AND CONSTITUTION OF COMMITTEES

The Directors may delegate (with power to subdelegate) any of their powers or discretions (including, without limitation, any power or discretion the exercise of which involves or may involve the payment of remuneration to, or the conferring of any other benefit upon, all or any of the Directors) to committees consisting of one or more Directors and, if desired, one or more other named person or persons who have been co-opted on to such committee in accordance with the provision of this Article 101. If any power or discretion has been delegated to a committee under this Article 101, any reference in these Articles to the exercise by the Directors of that power or discretion shall be interpreted accordingly as if it was a reference to the exercise of the same by that committee. Any committee appointed under this Article 101 shall, when exercising any powers or discretions delegated to it, abide by any regulations imposed by the Directors which may then subsist. Any such regulations may provide for or permit the co-option to the committee of persons other than Directors and for such persons to have voting rights as members of that committee; but Directors must form a majority of the members of such committee and no resolution of the committee will be valid unless a majority of the members of the committee present throughout the relevant meeting are Directors and the chairman of each committee shall be a Director, and in the case of any equality of votes, the chairman of the committee shall have a second or casting vote.

102. PROCEEDINGS OF COMMITTEE MEETINGS

The meetings and proceedings of any such committee consisting of two or more persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors (with appropriate modifications), so far as the same are not superseded by any regulations made by the Directors under Article 101.

POWERS OF DIRECTORS

103. GENERAL POWERS

The business and affairs of the Company shall be managed by the Directors, who may (subject to these Articles, to the provisions of the Statutes and to any regulations which may be prescribed by special resolution of the Company) exercise all the powers of the Company which are not, by the Statutes or by these Articles, required to be exercised by the Company in General Meeting. No regulation prescribed by special resolution 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.

104. APPOINTMENT OF ATTORNEY

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. Any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit. The Directors may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

105. SIGNATURE ON CHEQUES ETC.

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

106. BORROWING POWERS

- 106.1 Subject as provided in this Article and to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets and uncalled capital (present and future) of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 106.2 The Directors shall restrict the borrowings of the Company, and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any), so as to secure (but as regards subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Directors can secure) that the aggregate principal

amount from time to time outstanding of all borrowings by the Group (as defined in Article 106.8) (exclusive of borrowings (as defined in Article 106.4) owing by one member of the group to another member of the group other than amounts to be taken into account under Article 106.5.3 below) shall not, without the previous sanction of an ordinary resolution of the Company, at any time exceed an amount equal to 300 per cent. of the Adjusted Capital and Reserves (calculated in accordance with Article 106.3).

106.3 For the purposes of this Article "the Adjusted Capital and Reserves" shall mean the aggregate from time to time of:

106.3.1 the amount paid up or credited as paid up on the issued share capital of the Company; and

106.3.2 the amount standing to the credit of the capital and revenue reserves of the Group (including any share premium account, capital redemption reserve, merger reserve, property revaluation reserve and any credit balance on profit and loss account);

all as shown by the then latest audited consolidated balance sheet of the Group, but after:

106.3.3 writing back acquired goodwill which has been (or is required to be) written off;

106.3.4 deducting any debit balance on profit and loss account subsisting at the date of that audited balance sheet (except to the extent that such deduction has already been made) excluding sums set aside for taxation;

106.3.5 deducting an amount equal to any distributions by the Company out of any profits earned prior to the date of the latest audited balance sheet and which have been declared, recommended or made since that date except in so far as provided in such balance sheet; and

106.3.6 making adjustments to reflect any variation in the amount of such paid up share capital, share premium account, capital redemption reserve, merger reserve or property revaluation reserve since the date of such audited balance sheet or which would result from any transaction for the purpose of which this calculation is being made or any transaction to be carried out contemporaneously with the making of such calculation and so that for this purpose if any proposed issue of shares for cash has been underwritten, then such shares shall be deemed to have been issued and the amount (including any premium) of the relevant subscription monies (not being monies payable later than four months after the date of allotment) shall be deemed to have been paid up to the extent that the underwriters are liable therefor and on the date when the underwriting of such shares become unconditional.

106.4 For the purpose of this Article, "borrowings" shall be deemed to include not only borrowings but also the following except in so far as otherwise taken into account:

106.4.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest in which or the right to repayment of which is not for the time being owned by a member of the Group, of any body whether corporate or unincorporated and the payment or repayment of which is the subject of a guarantee or indemnity by a member of the Group;

106.4.2 the outstanding principal amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;

106.4.3 the principal amount of any debenture (whether secured or unsecured) of a member of the Group owned otherwise than by a member of the Group;

106.4.4 the nominal amount of any preference share capital of any subsidiary undertaking beneficially owned otherwise than by a member of the Group; and

106.4.5 any fixed or minimum premium payable on repayment of any borrowing or deemed borrowing;

106.4.6 any fixed amount in respect of a hire purchase agreement or of a finance lease payable in either case by the Company or any of its subsidiaries which will be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet (and for the purposes of this article a "finance lease" means a contract between a lessor and the Company or any of its subsidiaries as lessee or sub-lessee where substantially all the risks and regards of the ownership of the asset leased or sub-leased are to be borne by that Company. "Hire purchase agreement" means a contract for hire purchase between a hire purchase lender and the Company or any of its subsidiaries as hirer.

but shall be deemed not to include:

106.4.7 borrowings for the purposes of repaying the whole or any part of borrowings by a member of the Group for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period;

106.4.8 borrowings for the purpose of financing any contract in respect of which any part of the price receivable by a member of the Group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other Governmental department or non-Governmental successor fulfilling a similar

function, to an amount not exceeding that part of the price receivable in respect of such contract which is so guaranteed or insured;

106.4.9 amounts borrowed or raised that are for the time being deposited with H M Customs and Excise or any other body designated by any relevant legislation or order in connection with import deposits or any similar Governmental scheme to the extent that a member of the Group retains its interest in such amounts; and

106.4.10 borrowings of an undertaking which became a subsidiary undertaking of the Company after the date at which the last audited balance sheet was prepared, to the extent that the amount of those borrowings does not exceed the amount of those borrowings immediately after it became such a subsidiary undertaking.

106.5 For the purposes of this Article, when the aggregate principal amount of borrowings required to be taken into account for the purposes of this Article on any particular date is being ascertained:

106.5.1 any of such moneys denominated or repayable (or repayable at the option of any person other than the Company) in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing on that date in London provided that any of such moneys shall be converted at the rate of exchange prevailing in London six months before such day if by doing this such aggregate amount would be less (and so that for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business);

106.5.2 where under the terms of any borrowings the amount of money that would be required to discharge the principal amount of such borrowing in full if it fell to be repaid (at the option of the Company or by reason of default) on such date is less than the amount that would otherwise be taken into account in respect of such borrowing for the purpose of this Article, the amount of such borrowing to be taken into account for the purpose of this Article shall be such less amount; and

106.5.3 moneys borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion of such borrowings equal to the relevant proportion and moneys borrowed and owing to a partly-owned subsidiary undertaking by another member of the Group shall be taken into account to the extent of a proportion of such borrowings equal to the relevant proportion; for the purposes of this subparagraph "relevant proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary undertaking which is not attributable (directly or indirectly) to the Company.

106.6 For the purposes of this Article, "audited balance sheet" shall mean the audited balance sheet of the Company prepared for the purposes of the Statutes unless at the date of the then latest such balance sheet there shall

have been prepared for such purposes and audited a consolidated balance sheet of the Company and its subsidiary undertakings (with such exceptions as may be permitted in the case of a consolidated balance sheet prepared for the purposes of the Statutes) and in the latter event "audited balance sheet" shall mean such audited consolidated balance sheet of the Company and such subsidiary undertaking, the references to reserves and profit and loss account shall be deemed to be references to consolidated reserves and consolidated profit and loss account respectively and there shall be excluded any amounts attributable to outside interests in subsidiary undertakings.

- 106.7 The Company may from time to time change the accounting convention on which the audited balance sheet is based, provided that any new convention adopted complies with the requirements of the Statutes; if the Company should prepare its main audited balance sheet on the basis of one such convention, but a supplementary audited balance sheet or statement on the basis of another, the main audited balance sheet shall be taken as the audited balance sheet for the purposes of this Article.
- 106.8 In this Article "the Group" shall mean the Company and its subsidiary undertakings (if any).
- 106.9 A certificate or report by the auditors of the Company as to the amount of the Adjusted Capital and Reserves or the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times shall be conclusive evidence of such amount or fact for the purposes of this Article. Notwithstanding any other provision of this Article, the Directors may act in reliance on a bona fide estimate of the amount of the Adjusted Capital and Reserves at any time and, if in consequence the limit imposed by this Article is inadvertently exceeded, an amount of borrowings equal to the excess may be disregarded until the expiration of three months after the date on which, by reason of a determination of the auditors of the Company or otherwise, the Directors become aware that the said limit has been inadvertently exceeded as mentioned above.
- 106.10 Notwithstanding the foregoing, no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit imposed by this Article had been or was exceeded by incurring such borrowing or giving such security.

107. ALTERNATE DIRECTORS

- 107.1 Every person acting as 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 to be the agent of or for the Director appointing him. Such appointment, unless previously approved by the Directors or unless the appointee is another Director, shall have effect only upon and subject to being so approved.

- 107.2 Any appointment or removal of an alternate Director shall be made by the delivery, to the Office or to a meeting of the Directors, of a written notice of appointment or removal signed by the relevant Director.
- 107.3 The appointment of an alternate Director shall terminate on the happening of any event which, if he were a Director, would cause him to cease to be a Director or if the Director who appointed him ceases to be a Director (except by retirement at a General Meeting at which he is re-elected).
- 107.4 An alternate Director shall (unless he is not in the United Kingdom at the relevant time) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at, and to be counted as part of the quorum for, any such meeting at which the Director appointing him is not present, and generally at any such meeting to perform, as a Director, all functions of the Director who appointed him. In relation to the proceedings at any such meeting which an alternate Director attends, the provisions of these Articles shall apply as if that alternate Director were a Director.
- 107.5 If an alternate Director is also himself a Director or attends any meeting as an alternate for more than one Director, his voting rights shall be cumulative but he will only be counted once for any quorum requirements.
- 107.6 If any Director who has appointed an alternate Director is for the time being absent from the United Kingdom or temporarily unable to act because of ill health or disability, then that alternate Director may sign, in his place, any written resolution of the Directors.
- 107.7 If and to the extent that the Directors may from time to time decide in relation to any committees of the Directors, the preceding provisions of this Article 107 shall also apply (with appropriate modifications) to any meetings of any such committee of which a Director who has appointed an alternate is a member.
- 107.8 An alternate Director will not, except as set out in the preceding paragraphs of this Article 107, have power to act as a Director; nor will such alternate Director be deemed to be a Director under these Articles.
- 107.9 An alternate Director shall be entitled to contract, to be interested in and to benefit from any contracts, arrangements or transactions, to be repaid expenses and to be indemnified, to the same extent as if he were a Director. Such alternate Director shall not be entitled to receive any remuneration from the Company for acting as an alternate Director unless the Director who appointed him instructs the Company in writing to pay part of the remuneration payable by the Company to that Director to the alternate Director instead.
- 107.10 A Director may at any time revoke the appointment of an alternate Director appointed by him or appoint another person in his place and if the Director shall die or cease to hold the office of Director the appointment of his alternate Director shall thereupon cease provided always that if any Director retires but is re-elected at the meeting at which such retirement took place any appointment made by him pursuant to this article which was in force

immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired.

108. SECRETARY

The Secretary shall be appointed by the Directors on such terms, at such remuneration and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but any such removal shall not, of itself, limit or restrict any claim for damages which he may have for breach of any contract of service between him and the Company. The Directors may, if they think fit, appoint two or more persons as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit, one or more Deputy and/or Assistant Secretaries.

109. MINUTES

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

- 109.1 of all appointments of officers made by the Directors; and
- 109.2 of all resolutions of members, of holders of any class of Shares in the Company, of the Directors and of committees of the Directors and of the proceedings at meetings of such persons including the names of the Directors or alternate Directors present at each such meeting.

Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting or the Secretary, shall be receivable as prima facie evidence of the matter stated in such minutes without any further proof.

110. THE SEAL

- 110.1 Subject to the Statutes, the Directors may resolve that the Company shall not have a Seal.
- 110.2 The Directors may arrange for the Company to have a Securities Seal.
- 110.3 The Directors shall ensure that the Seal (if any) and any Securities Seal are kept in safe custody and that neither shall be used without the authority of the Directors or of a committee which has been appropriately authorised by the Directors.
- 110.4 The Directors may determine whether any document to which any Seal is affixed shall be signed and, if it is to be signed, who shall sign it and whether such signature may be affixed by mechanical means. Unless otherwise determined by the Directors or the law otherwise requires, any certificates for shares or debentures or other securities of the Company which are issued under Seal need not also be signed or, if signed, the Directors may resolve that such signatures or either of them shall be put on by some method or system of printed or mechanical signature, but every other document to which the Seal is affixed shall be signed by a Director and the Secretary or by a second Director.
- 110.5 Any document signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal; however, no document which makes it clear on its face that it is intended to have effect as a deed shall be so signed without the authority of the Directors or of a committee which has been appropriately authorised by the Directors.
- 110.6 The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Securities Seal need not be signed.

111. AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any document affecting the constitution of the Company, any resolution passed at a shareholders' meeting or at a meeting of the Directors or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies of, or extracts from, the same as true copies or extracts. Where any book, record, document or account is kept at a place other than the Office, the local manager or other officer of the Company having the custody of the same shall be deemed to be a person appointed by the Directors. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is so certified shall be conclusive evidence in favour of all persons dealing with the Company who rely on the same that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

RESERVES

112. ESTABLISHMENT OF RESERVES

The Directors may before recommending any dividend, whether preferential or otherwise, carry to reserve out of the profits of the Company (including any premiums received upon the issue of debentures or other securities of the Company) such sums as they think proper as a reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing improving or maintaining any property of the Company or for any other purpose to which the profits of the Company may properly be applied and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may divide the reserve into special funds as it thinks fit and may consolidate into one fund any special funds or parts of the such funds into which the reserve may have been divided as it thinks fit. Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also, without placing the same to reserve, carry forward any profits which it may think prudent not to divide.

113. BUSINESS BOUGHT AS FROM PAST DATE

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 of such asset, business or property may, as from such date, at the discretion of the Directors be carried in whole or in part to revenue account and treated for all purposes as profits or losses of the Company. Subject again to the provisions of the Statutes, 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; it shall not be obligatory to capitalise the same (or any part of the same).

DIVIDENDS

114. FINAL DIVIDENDS

The Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members or persons entitled to a Share by transmission or operation of law but no such dividend shall exceed the amount recommended by the Directors.

115. INTERIM AND PREFERENTIAL DIVIDENDS

Subject to the provisions of the Statutes, if and to the extent that, in the opinion of the Directors the profits of the Company justify such payments, the Directors:

- 115.1 may declare and/or pay the fixed dividends on any class of Shares carrying a fixed dividend payable on fixed dates, on the dates prescribed for payment of the same;
- 115.2 may provide, in such manner and on such terms as they may think fit, for the payment of any dividends (whether fixed or calculated by reference to or in accordance with a specified procedure or mechanism) on any class of Shares carrying such a dividend on the dates prescribed for payment of the same (whether such dates are fixed or are determined or to be determined in accordance with a specified procedure or mechanism); and
- 115.3 may also from time to time pay interim dividends on the Shares of any class of such amounts, on such dates, and in respect of such periods, as they may think fit.

If the Directors act in good faith, they shall not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any Shares having deferred or non-preferred rights.

116. DISTRIBUTION IN SPECIE

The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of the whole or any part of a dividend by the distribution of specific assets (and, in particular, of paid-up shares or debentures of any other company) and the Directors shall comply with and carry out any such resolution. Where any difficulty arises with regard to such distribution, the Directors may settle the same as they think expedient and in particular may:

- 116.1 make such provisions as they think fit for dealing with fractional entitlements, in each case in certificated or uncertificated form as the directors may determine, which may or would arise (including provisions under which fractional entitlements are ignored or the benefit of the same belongs to the Company rather than the relevant members or the issue of fractional certificates);
- 116.2 fix the value for distribution of such specific assets (or any part of the same);
- 116.3 determine that cash shall be paid to any member upon the basis of the value so fixed in order to adjust the rights of all parties; and
- 116.4 vest any assets in trustees upon trust for persons entitled to a dividend.

117. RANKING OF SHARES FOR DIVIDEND

Unless and to the extent that the rights attached to any Shares or the terms of issue of any Shares or these Articles provide to the contrary, all dividends shall (as regards any shares which are not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid in proportion to the amounts paid on the shares during any part or parts of the period in respect of which the dividend is paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.

118. CURRENCY AND PAYMENT OF DIVIDENDS

- 118.1 Any dividend or other moneys payable in cash on or in respect of a Share may be paid by cheque or warrant sent by post to the registered address of the member or person entitled to the same (or, if two or more persons are registered as joint holders of the share or are entitled to the same in consequence of the death or bankruptcy of the holder or otherwise through the operation of law, to any one of such persons) or to such person and/or such address as such member or person or persons may in writing direct or may be paid by such other means as the Directors may determine or think fit. Every such cheque or warrant shall be made payable to the order of the person or persons to whom it is sent or to such other person or persons as the person or persons entitled may in writing direct. 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(s) entitled to the money represented by the same. If such cheque or warrant has been or shall be alleged to have been lost, stolen or destroyed, the Directors may, at the request of the person entitled to such cheque or warrant, issue a replacement cheque or warrant subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.
- 118.2 Subject to the provisions of these Articles and to the rights attaching to, or the terms of issue of, any shares, any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Directors may determine.
- 118.3 If any dividend or other moneys are to be paid in a currency other than sterling, the Directors may make such provisions as they think fit to enable such payment to be made, including making arrangements to enable payment to be made in the relevant currency or currencies for value on the date due for payment or on such later date as the Directors may decide.
- 118.4 Where a dividend is to be paid in a currency or currencies other than sterling, the rate of exchange to be used to calculate the relevant amount of foreign currency shall be such market rate selected by the Directors as they shall consider appropriate, ruling at any time between the close of business in London on the business day immediately preceding the day on which the Directors publicly announce their intention to pay or recommend (as the case

may be) the relevant dividend and the close of business on the day on which that dividend is paid.

- 118.5 The Company may cease to send any cheque, warrant or order by post for any dividend on any shares which is normally paid in that manner if, in respect of at least two consecutive dividends payable on those shares, the cheque, warrant or order has been returned undelivered or remains uncashed or if the cheque, warrant or order for any dividend has been returned undelivered or remains uncashed and reasonable enquiries have failed to establish any new address for or in respect of the member. Subject to the provisions of these Articles, the Company shall recommence sending cheques, warrants or orders in respect of the dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

119. JOINT HOLDERS

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 or otherwise through the operation of law, any one of them may give a good receipt for any dividend or other moneys payable, or property distributable, on or in respect of the share.

120. RECORD DATE

Subject to the rights attaching to, or the terms of issue of any Shares, a resolution providing for the payment or making of any dividend on any shares of any class or any distribution, allotment or issue to the holders of any shares of any class (whether a resolution of the Company in General Meeting or a resolution of the Directors or otherwise) may specify that the same shall be payable or be made to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that such date may be a date prior to that on which the resolution is passed. Such dividend, distribution, allotment or issue shall then be payable or due to them in accordance with their respective registered holdings, but shall not, of itself, prejudice the rights between transferors and transferees of any such Shares in respect of such dividend, distribution, allotment or issue.

121. NO INTEREST ON DIVIDENDS

Subject to the rights attaching to, or to the terms of issue of any Shares and subject to Article 4.3, the Company shall not be obliged to pay interest on any dividend or other moneys payable on or in respect of a Share.

122. RETENTION OF DIVIDENDS

- 122.1 The Directors may retain any dividend or other moneys payable on or in respect of a Share on which the Company has a lien and may apply the same

in or towards satisfaction of the moneys payable to the Company in respect of that Share.

- 122.2 The Directors may retain the dividends payable upon Shares in respect of which any person is, under the provisions of these Articles dealing with the transmission of shares, entitled to become a member, or which any person is under those provisions entitled to transfer those Shares, until such person shall become a member in respect of such Shares or shall transfer the same.

123. UNCLAIMED DIVIDENDS

The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a Share into a separate account shall not constitute the Company a trustee of the moneys paid in. Any dividend unclaimed after a period of 12 years from the due date for payment of such dividend shall be forfeited and shall revert to the Company.

124. WAIVER OF DIVIDENDS

The waiver in whole or in part of any dividend on any Share by any document (whether or not executed as a deed) shall be effective only if such document is signed by the shareholder (or the person entitled to the Share in consequence of the death or bankruptcy of the holder or otherwise through the operation of law) and delivered to the Company and if, or to the extent that, the same is accepted as such or acted upon by the Company.

125. SCRIP DIVIDENDS

- 125.1 Directors may, with the prior approval of an ordinary resolution of the Company, offer the holders of, and persons entitled by transmission to, Ordinary Shares the right to elect to receive additional Ordinary Shares credited as fully paid ("additional Ordinary Shares") instead of cash in respect of all or part of any dividend or dividends proposed to be paid or declared at any time prior to or at the next following Annual General Meeting upon (subject as set out in this Article 125) such terms and conditions (including, without limitation, terms and conditions providing for the inclusion in, or exclusion from, such right to elect of the holders of share warrants) as may be specified in such ordinary resolution or otherwise decided upon by the Directors.
- 125.2 The Directors may in their absolute discretion suspend or withdraw (whether temporarily or otherwise) any offer previously made to Ordinary Shareholders to elect to receive additional Ordinary Shares at any time prior to the allotment of the additional Ordinary Shares and may do such acts and things considered necessary or expedient with regard to, or in order to effect, any such suspension or withdrawal.
- 125.3 When a right to elect is to be offered to holders of Ordinary Shares pursuant to this Article, the Directors shall notify such holders of that right and shall make available or provide to such holders forms of election (in such form as

the Directors may approve) in order to exercise such right. Such forms may also provide for the right to elect to receive additional Ordinary Shares instead of cash in respect of future dividends not yet declared or resolved upon (and accordingly in respect of which the basis of allotment has not yet been decided upon) as well as in respect of the relevant dividend. The Directors shall also specify the procedures to be followed in order to exercise any such right or rights of election and, where applicable, to vary or revoke any such right or rights.

- 125.4 The basis of allotment shall be determined by the Directors so that each holder of Ordinary Shares who elects to receive additional Ordinary Shares shall be entitled to receive such number of additional Ordinary Shares, calculated at the Relevant Price for each such share, as is nearly as possible equal to (but not in excess of) the cash amount (disregarding any tax credit) of the relevant dividend which such holder would otherwise have received. For the purposes of this Article 125, the "Relevant Price" of an additional Ordinary Share shall be such price as is equal to the average of the middle market prices for the Ordinary Shares, ascertained by reference to the Daily Official List of the London Stock Exchange during the period of five dealing days commencing on the day when such Ordinary Shares are first quoted "ex" the relevant dividend or to the par value of an Ordinary Share (whichever is the higher). No member may receive a fraction of an Ordinary Share.
- 125.5 The cash amount of a dividend (or of the relevant part of that dividend) on Ordinary Shares in respect of which an election to receive additional Ordinary Shares has been made shall not be payable and in lieu additional Ordinary Shares shall be allotted to the relevant holders on the basis of allotment determined under Article 125.4. For such purpose, the Directors may (without limiting or restricting in any way their powers under Article 126) capitalise out of such of the sums standing to the credit of any of the Company's reserve accounts (including any share premium account or capital redemption reserve) or profit and loss account as the Directors may determine a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted and shall apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution credited as fully paid to the relevant holders of Ordinary Shares.
- 125.6 The provisions of Article 126.3 shall apply (with appropriate modifications) to any capitalisation made pursuant to this Article 125.
- 125.7 The additional Ordinary Shares so allotted shall rank equally 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).
- 125.8 The Directors may on any occasion determine that rights of election shall be subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to any legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory. In any such case, the preceding provisions of this Article shall be construed accordingly.

- 125.9 The Directors shall apply to the London Stock Exchange for the additional Ordinary Shares so allotted to be admitted to trading on the Official List.

126. CAPITALISATION OF PROFITS AND RESERVES

- 126.1 The Directors may, with the sanction of an ordinary resolution of the Company, capitalise any undistributed profits of the Company not required for paying any preferential dividend or any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account.
- 126.2 Such capitalisation shall be effected by allocating such sum to the holders of Ordinary Shares (who shall include, if the Directors so decide and on such terms and conditions as they may decide, holders of share warrants) on the Register at the close of business on the date of the resolution (or on such other date as may be specified in, or determined as provided for by, the resolution) in proportion to their then holdings of Ordinary Shares and using such sum on their behalf in paying up in full unissued Ordinary Shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being in issue, unissued shares of any other class which are not redeemable shares) for allotment and distribution, credited as fully paid up, to them as bonus shares in the relevant proportion.
- 126.3 The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation and in particular shall have full power to make such provisions as they think fit for any fractional entitlements which would or might arise in certificated or uncertificated form (including provisions whereby fractional entitlements are disregarded or the benefit of the same accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter, on behalf of all the members interested, into an agreement with the Company providing for any such capitalisation and incidental matters; any such agreement shall be effective and binding on all concerned.

127. EMPLOYEES' SHARE SCHEMES

- 127.1 Where pursuant to an employees' share scheme (within the meaning of Section 743 of the Act) the Company has granted options to subscribe for Ordinary Shares on terms which provide (inter alia) for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued share capital and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then, subject to the provisions of the Statutes, the Directors may, on the exercise of any of the options concerned and payment of the subscription price which would have applied had such adjustment been made, capitalise any profits or reserves (including share premium account and capital redemption reserve) to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be allotted on the exercise of such options and to apply

such amount in paying up such balance and allot shares fully paid up accordingly.

- 127.2 The provisions of Article 126 relating to the capitalisation of profits shall apply mutatis mutandis to this Article 127 (but as if the authority of an ordinary resolution was not required).

ACCOUNTS

128. ACCOUNTING RECORDS

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit. Such records shall always be open to inspection by the officers of the Company but no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

129. COPIES OF ACCOUNTS FOR MEMBERS

A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be comprised in, or attached or annexed to, any such balance sheet or account) shall, at least 21 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. This Article 129 shall not require a copy of these documents to be sent to any member to whom a summary financial statement is sent in accordance with the Statutes nor to more than one of joint holders nor to any person of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

AUDITORS

130. VALIDITY OF AUDITOR'S ACTS

Subject to the provisions of the Statutes, all acts done by any person acting as an auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

131. AUDITOR'S RIGHT TO ATTEND GENERAL MEETINGS

An auditor shall be entitled to attend any General Meeting and to receive all notices of, and other communications relating to, any General Meeting which any member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as auditor.

NOTICES

132. SERVICE OF NOTICES

- 132.1 Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either at, or by sending it by post in a prepaid cover addressed to such member at, his registered address or (if he has no registered address within the United Kingdom) at, the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. In the case of a member registered on a branch register, any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.
- 132.2 Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiry of twenty-four hours (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted. In proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- 132.3 The accidental failure to send, or the non-receipt by any person (including any member, Director or the auditors) entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.
- 132.4 Any notice or other document (including a share certificate) may be served or delivered by the Company by reference to the Register as it stands at any time not more than 15 days before the date of service or delivery. No change in the Register after that time shall invalidate that service. Where any notice or other document is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.

133. JOINT HOLDERS

Any notice given to that one of the joint holders of a Share whose name appears first in the Register in respect of the Share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose, a joint holder who has no registered

address in the United Kingdom and who has not supplied an address within the United Kingdom for the service of notices shall be disregarded.

134. DECEASED AND BANKRUPT MEMBERS

- 134.1 A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise through the operation of law shall, upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices, be entitled to have served upon or delivered to him at such address any notice or document to which the said member would have been entitled. Such service or delivery shall, for all purposes, be deemed to be sufficient service or delivery of such notice or document on all persons interested (whether jointly with or claiming through or under him) in the share.
- 134.2 Except as provided in Article 134.1 any notice or document delivered or sent by post to, or left at the address of, any member pursuant to these Articles shall, notwithstanding that such member is then dead or bankrupt or in liquidation and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

135. OVERSEAS MEMBERS

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

136. SUSPENSION OF POSTAL SERVICES AND ADVERTISEMENTS

- 136.1 If, at any time, because of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a shareholders' meeting by notices sent through the post, such meeting may be convened by a notice advertised on the same date in at least one national daily newspaper with appropriate circulation. Such notice shall be deemed to have been duly served on all members entitled to receive the same 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 7 days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.
- 136.2 Any notice required to be given by the Company to members (including for this purpose holders of share warrants) and not expressly provided for by these Articles or by the terms of issue of any shares shall be sufficiently given if given by advertisement in the manner provided for in Article 136.1 (but the Company need not send confirmatory copies of the notice by post). The

holder of a share warrant shall be entitled to receive notice only by advertisement in the manner provided for in this Article 136.

137. STATUTORY REQUIREMENTS AS TO NOTICES

Nothing in any of Articles 132 to 136 shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

WINDING UP

138. DIRECTORS' POWER TO PETITION

Subject to the provisions of the Statutes the Directors shall have the power, in the name and on behalf of the Company, to present a petition to the Court for the Company to be wound up.

139. DISTRIBUTION OF ASSETS IN SPECIE

If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, with the authority of an extraordinary resolution, divide among the members in specie or in kind 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). The liquidator may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may also, with the authority of an extraordinary resolution, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator (with the authority of an extraordinary resolution) shall think fit, and the liquidation of the Company may be closed and the Company dissolved. No contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

140. DESTRUCTION OF DOCUMENTS

140.1 The Company shall be entitled to destroy all forms of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiry of six years from the date of registration of the same. The Company shall also be entitled to destroy all dividend mandates and notifications of change of address at any time after the expiry of two years from the date of recording the same and all share certificates which have been cancelled at any time after the expiry of one year from the date of the cancellation of the same. Any such document may be disposed of in any way.

140.2 Every document destroyed under the provisions of this Article 140 shall conclusively be regarded as a valid and effective document, duly and

properly registered (in the case of a form of transfer) or cancelled (in the case of a share certificate) or recorded (in the case of any other document). Every entry in the Register or in any other books or records of the Company made or recorded from any such document shall conclusively be regarded as having been duly and properly made.

140.3 The provisions of Article 140.2 shall apply only to a document destroyed in good faith, where the Company has not been notified of any claim (regardless of the parties to the document) to which the document might be relevant.

140.4 The provisions of this Article 140 shall not impose upon the Company any liability in respect of the destruction of any document before the expiry of any period referred to in Article 140.1 or in any other circumstances which would not attach to the Company in the absence of this Article.

141. EMPLOYEES

The Directors may by resolution exercise any power conferred by the Statutes to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

INDEMNITY AND INSURANCE

142. INDEMNITY

Subject to the provisions of and so far as may be consistent with the Statutes, every Director, auditor, Secretary or other officer of the Company shall be indemnified by the Company out of its own funds against, and/or exempted by the Company from, all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Such indemnity or exemption may relate to (without limitation) 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 are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

143. INSURANCE

143.1 Without restricting or reducing in any way the scope of Article 142, the Directors shall on behalf of the Company have power to purchase and

maintain insurance for, or for the benefit of, any persons who are or were at any time Directors, officers, employees or auditors of any Associated Company (as defined in Article 143.2) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Associated Company are interested, (including, without limitation, insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Associated Company, or any such pension fund or employees' share scheme).

- 143.2 In this Article 143, "Associated Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or any such holding company or any of the predecessors of the Company or of any such holding company has or had any interest (whether direct or indirect) or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.