

Company number 3358043

THE COMPANIES ACT 1985
PUBLIC COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION
OF
CITADEL HOLDINGS PLC



Passed 18 June 1997

At an extraordinary general meeting of the Company duly convened and held on the above date the following resolution was duly passed as a special resolution of the Company:

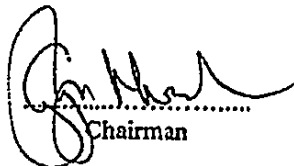
SPECIAL RESOLUTION

- 1 That each of the issued and unissued ordinary shares of £1 each in the capital of the Company be sub-divided into 4 ordinary shares of 25p each;
- 2 That the authorised share capital of the Company be increased to £18,750,000 by the creation of 50,000 non-voting redeemable preference shares of £1 each, 74,400,000 ordinary shares of 25p each, each such shares have the rights set out in the articles of association of the Company to be adopted pursuant to resolution 3 below;
- 3 That the regulations contained in the printed document submitted to the meeting and, for the purposes of identification only, signed by the Chairman be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.
- 4 That the directors be generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities up to an aggregate maximum nominal value of

£50,000 such authority to be in substitution for all existing authorities granted to the directors in respect of the allotment of relevant securities; ~~provided that:~~

- (a) in relation to the grant of any right to subscribe for, or convert any security, into shares in the Company, the reference in this resolution to the maximum amount of relevant securities that may be allotted is to the maximum amount of shares which may be allotted pursuant to such right; and
- (b) the authority shall expire on the date falling five years after the date of the passing of this resolution except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority had not expired;

- 5 That the directors be empowered pursuant to section 95 of the Act to allot equity securities wholly for cash pursuant to the authority conferred on them by paragraph 1 of this resolution as if section 89(1) of the Act did not apply to the allotment, such authority to expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 15 months after the date of the passing of this resolution except that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power had not expired;


Chairman

No. 3358043

CITADEL HOLDINGS plc

ARTICLES OF ASSOCIATION

BERWIN LEIGHTON
Adelaide House
London Bridge
London
EC4R 9HA
wlsh/c1356/1/a3

CONTENTS

Article Title and Number	Page Number
INTERPRETATION	
1. Exclusion of Table A	1
2. Definitions	1
SHARE CAPITAL	
3. Authorised share capital	3
4. Further issues and rights attaching to shares on issue	3
5. Redeemable shares	4
6. Unissued shares	4
7. Payment of commission	4
8. Trusts not recognised	4
9. Liability of joint holders	4
10. Purchase of own shares	5
11. Indemnity against claims in respect of shares	5
12. Commission on issue of shares	5
ALTERATIONS OF CAPITAL	
13. Increase, consolidation, sub-division and cancellation	5
14. Fractions on consolidation	6
15. Reduction of capital	6
MODIFICATION OF RIGHTS	
16. Variation of rights	6
17. Class meetings	6
SHARE CERTIFICATES	
18. Right to share certificate	6
19. Replacement of share certificates	7
20. Execution of share certificates	7
EVIDENCE OF TITLE TO SECURITIES	
21. Evidence of title to securities	8
LIEN	
22. Company's lien on shares not fully paid	8
23. Enforcing lien by sale	8
24. Giving effect to a sale	8
25. Application of proceeds of sale	8
CALLS ON SHARES	
26. Calls	8
27. Payment of calls	9
28. Interest due on non-payment	9
29. Sums due on allotment treated as calls	9
30. Power to differentiate	9
31. Payment of calls in advance	9
32. Rights of Member when call unpaid	10

FORFEITURE OF SHARES

33.	Notice if call not paid	10
34.	Form of notice	10
35.	Forfeiture if non-compliance with notice	10
36.	Notice after forfeiture	10
37.	Sale of forfeited shares	11
38.	Arrears to be paid notwithstanding forfeiture	11
39.	Statutory declaration as to forfeiture	11
40.	Forfeiture provisions applicable to sums due under terms of issue	11

TRANSFER OF SHARES

41.	Form of transfer	11
42.	Execution of transfer	12
43.	Balance certificate	12
44.	Right to decline registration of partly paid shares or shares in respect of which it has a lien	12
45.	Other rights to decline registration	12
46.	Notice of refusal	12
47.	Suspension of registration	13
48.	No fee for registration	13
49.	Recognition of renunciation	13

TRANSMISSION OF SHARES

50.	Transmission on death	13
51.	Entry of transmission in Register	13
52.	Election of a person entitled by transmission	13
53.	Rights of a person entitled by transmission	13

STOCK

54.	Stock conversion	14
55.	Transfer of stock	14
56.	Rights of holders of stock	14

DESTRUCTION OF DOCUMENTS

57.	Entitlement to destroy documents	14
58.	Presumption when documents destroyed	15

GENERAL MEETINGS

59.	Annual general meetings	15
60.	Extraordinary general meetings	15
61.	Time and place of general meetings	15
62.	Length of notice	15
63.	Arrangements for general meetings	16
64.	Omission or non-receipt of notice	17

PROCEEDINGS AT GENERAL MEETINGS

65.	Quorum	17
66.	Procedure if quorum not present	17
67.	Chairman of general meetings	17
68.	Directors' right to attend and speak	18
69.	Adjournments	18
70.	Amendments to resolutions	18

VOTING

71.	Method of voting	19
72.	Votes of members	19
73.	Procedure if poll demanded	19
74.	When poll to be taken	20
75.	Continuance of other business after poll demand	20
76.	Votes on a poll	20
77.	Casting vote of Chairman	20
78.	Votes of joint holders	20
79.	Votes on behalf of an incapable Member	20
80.	No right to vote where sums overdue	20
81.	Objection or errors in voting	21
82.	Suspension of rights where non-disclosure of interests	21
83.	Representation of corporations	23

PROXIES

84.	Execution of proxies	24
85.	Form of proxy	24
86.	Delivery of proxies	24
87.	Cancellation of proxy's authority	24
88.	Maximum validity of proxy	25
89.	Proxy need not be a member	25

NUMBER, APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

90.	Number of Directors	25
91.	Age of Directors	25
92.	Absence of Directors' shareholding qualification	25
93.	Power of Company to appoint Directors	25
94.	Election of two or more Directors	25
95.	Power of the Board to appoint Directors	26
96.	Powers of Executive Directors	26
97.	Number and identity of Directors to retire by rotation	26
98.	Recent appointments	26
99.	Eligibility for re-election	26
100.	Filling rotation vacancies and timing of retirement	26
101.	Changes to the numbers of retiring Directors	27
102.	Persons eligible as Directors	27
103.	Vacation of office by Directors	27
104.	Alternate directors	28

FEES, REMUNERATION, EXPENSES AND PENSIONS

105.	Limitation of Directors' fees	28
106.	Additional remuneration	29
107.	Expenses	29
108.	Remuneration of executive directors	29
109.	Pensions and gratuities for Directors	29

POWERS AND DUTIES OF DIRECTORS

110.	General powers of the Company vested in the Board	29
111.	Borrowing powers and Restrictions	29
112.	Local boards	30
113.	Delegation to committees	30

wlsh/c1356/1/a3

114.	Delegation to individual Directors	31
115.	Powers of Attorney	31
116.	Official Seals	31
117.	Registers	31
118.	Provision for employees	32
DIRECTORS' APPOINTMENTS AND INTERESTS		
119.	Appointment of Directors to executive offices	32
120.	Other offices and shareholdings	32
121.	Permitted interests and voting	32
PROCEEDINGS OF THE BOARD		
122.	Board meetings	34
123.	Notice of Board meetings	34
124.	Quorum	34
125.	Directors below minimum through vacancies	35
126.	Appointment of Chairman	35
127.	Competence of meetings	35
128.	Resolution in writing	35
129.	Participation in meetings by communication equipment	35
130.	Validity of acts of Board or committee	35
131.	Execution of negotiable instruments	35
132.	Minutes	36
SECRETARY		
133.	Appointment, remuneration and removal	36
134.	Acts done by a person in dual capacity	36
SEALS		
135.	Seals	36
AUTHENTICATION OF DOCUMENTS		
136.	Authentication of document	37
DIVIDENDS AND RESERVES		
137.	Establishment of Reserves	37
138.	Business bought as from a past date	37
139.	Declaration of dividends by Company	37
140.	Dividends paid according to amount and period shares paid up	38
141.	Payment of interim dividends by Board	38
142.	Deductions from or retentions of dividends	38
143.	No interest on dividends	38
144.	Payment procedure	38
145.	Joint holders	38
146.	Dividends not in cash	39
147.	Forfeiture of unclaimed dividends	39
148.	Waiver of dividend	39
149.	Scrip dividends	39
RECORD DATES		
150.	Power to choose any record date	41

ACCOUNTS		
151.	Records to be kept	41
152.	Inspection of records	41
153.	Preparation and laying of accounts and reports	41
154.	Publication of accounts and reports	41
155.	Summary financial statements	42
CAPITALISATION OF PROFITS AND RESERVES		
156.	Power to capitalise reserves and funds	42
157.	Authority to effect capitalisations	42
158.	Settlement of difficulties in distribution	42
AUDITORS		
159.	Auditors	43
160.	Validity of Auditor's acts	43
161.	Auditors' rights to attend general meetings	43
SERVICE OF NOTICES AND OTHER DOCUMENTS		
162.	Method of service	43
163.	Record date for service	43
164.	Members resident abroad	43
165.	When notice deemed served	44
166.	Service of notice on person entitled by transmission	44
167.	Notice when post not available	44
168.	Statutory requirements	44
UNTRACED SHAREHOLDERS		
169.	Power to stop sending notices to untraced shareholders	44
170.	Power of sale of shares held by untraced shareholders	44
171.	Uncashed dividends	46
WINDING UP		
172.	Directors' power to petition	46
173.	Distribution of assets in proportion to amounts paid up on capital	46
174.	Distribution of assets otherwise than cash	46
DESTRUCTION OF DOCUMENTS		
175.	Destruction of documents	46
INDEMNITY		
176.	Indemnity of officers	47

THE COMPANIES ACTS 1985 TO 1989
A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CITADEL HOLDINGS plc

(Adopted by Special Resolution passed on *18 June* 1997)

INTERPRETATION

Exclusion of Table A

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

Definitions

2. In these Articles, unless the context otherwise requires:-

"Act"
the Companies Act 1985;

"Approved Depositary"
a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Articles and shall include, where approved by the Board, the trustee (acting in their capacity as such) of any employees' share scheme established by the Company or any other scheme or arrangements principally for the benefit of employees of the Company, its subsidiaries or subsidiary undertakings which has been approved by the Company in general meeting;

"Auditors"
the auditors for the time being of the Company;

"these Articles"
these articles of association as from time to time altered;

"Board"
the board of Directors from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;

"clear days"
in relation to the period of a notice means that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;

"the Company"
Citadel Holdings plc;

"Director"
a director of the Company;

"general meeting"
includes a separate general meeting of the holders of any class of shares;

"holder"
in relation to any shares of the Company means the Member whose name is entered in the Register as the holder of those shares;

"the London Stock Exchange"
London Stock Exchange Limited;

"Member"
a member of the Company;

"month"
a calendar month;

"Office"
the registered office of the Company;

"paid up"
paid up or credited as paid up;

"Operator"
a person approved pursuant to the Regulations (defined below) as operator of a relevant system;

"person entitled by transmission"
a person whose entitlement to a share in consequence of the death or bankruptcy of a Member or any other event giving rise to its transmission by operation of law has been noted in the Register;

"recognised clearing house" and "recognised investment exchange" any clearing house or investment exchange (as the case may be) granted recognition under the Financial Services Act 1986;

"Register"
the register of Members of the Company;

"Regulations"
the Uncertificated Securities Regulations 1995;

"Seal"
any common or official seal that the Company may be permitted to have under the Statutes;

"Secretary"
the secretary of the Company and includes a joint, temporary, assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary of the Company;

"Statutes"

the Act and 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;

"Subsidiary"

a subsidiary or a subsidiary undertaking as defined in the Companies Act 1985 as amended by the Companies Act 1989;

"United Kingdom"

Great Britain and Northern Ireland;

"Year"

a calendar year;

Words in the singular include the plural and vice versa;

Words importing one gender only include all genders;

A reference to a person includes a body corporate and an unincorporated body of persons;

Expressions referring to writing shall be construed as including references to any method of representing or reproducing words in a legible form;

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

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment of such statute or statutory modification for the time being in force (whether coming into force before or after the adoption of these Articles);

A special or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles;

Headings are included only for convenience and shall not affect the meaning of these Articles;

Subject as set out above, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

SHARE CAPITAL

Authorised share capital

3. At the date of the adoption of these Articles the authorised share capital of the Company is £18,750,000 divided into 74,800,000 ordinary shares of 25p each and 50,000 non-voting redeemable shares of £1 each ("Redeemable Shares").

- 3.1 The rights of the Redeemable Shares are as follows:

(i) **Voting**

The Redeemable Shares shall not confer upon the holders thereof any right to receive notice of, attend or vote at general meetings of the Company except where the rights of holders of the Redeemable Shares are to be varied or abrogated.

- (ii) **Income**
The Redeemable Shares shall not confer upon the holders thereof any right to participate in any profits of the Company available for distribution.
- (iii) **Capital**
Each Redeemable Share shall confer on the holder thereof the right on a winding up or other return of capital to receive out of the assets of the Company available for distribution repayment of the capital paid up on such Shares pari passu with and in proportion to any amounts of capital paid to the holders of Ordinary Shares, but shall not confer any right to participate in any surplus assets of the Company.
- (iv) **Redemption**
Subject to the Companies Act 1985 the Redeemable Shares shall be redeemed upon and subject to the following terms and conditions:
- (a) the Company shall redeem the Redeemable Shares on 31 August 1997 provided that, without prejudice to the foregoing, the Company may redeem all or any of the Redeemable Shares on the same terms at any time prior to such date;
 - (b) there shall be paid on the redemption of each Redeemable Share the amount for the time being paid up thereon;
 - (c) the Company shall give the holders of the Redeemable Shares notice of redemption not later than 48 hours prior to the date of redemption which shall be in writing and irrevocable and shall fix the time and place of such redemption and shall specify the Redeemable Shares to be redeemed. At the time and place so fixed the registered holders of the Redeemable Shares to be redeemed shall be bound to deliver to the Company the certificates for such shares for cancellation and thereupon the Company shall pay to (or to the order of) such holders and all the monies payable in respect of the redemption of such Shares; and
 - (d) on redemption each Redeemable Share shall automatically be sub-divided into and redesignated as 4 Ordinary Shares of 25p each, ranking pari passu with the existing Ordinary Shares of the Company.

Further issues and rights attaching to shares on issue

4. Subject to the provisions of the Statutes and to any special rights attached to any existing shares or class of shares, any share in the Company may be issued with or have attached to it such preferential, deferred, qualified or special rights, privileges or conditions, either temporary or otherwise, as to participation in dividends or in distribution of assets or as to voting or otherwise as the Company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide.

Redeemable shares

5. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, any share may be issued which is to be redeemed, or is to be liable to be redeemed at the option of the Company or the holder.

Unissued shares

6. Subject to the provisions of the Statutes, these Articles and to any relevant authority given by the Company in general meeting, any unissued or new shares of the Company shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such person, at such times and for such consideration and on such terms and conditions as the Board may determine.

Payment of commission

7. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Statutes. Subject to the Statutes, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in cash or partly in paid shares.

Trusts not recognised

8. Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share on any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice) any interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other right in respect of any share except an absolute right to the entirety of it as the registered holder.

Liability of joint holders

9. If two or more persons are registered as joint holders of any share, their liability in respect of it shall be several as well as joint.

Purchase of own shares

10. Subject to the provisions of the Statutes and to any rights conferred on the holders of any class of shares, the Company may purchase all or any of its shares of any class, including any redeemable shares at any price (whether at par or above or below par). Every purchase of, or contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of any shares which at the date on which the purchase or contract is authorised by the Company in general meeting entitle them, either immediately or at any future time, to convert all or any of the shares of that class held by them into equity share capital of the Company (unless the terms of such convertible shares provide to the contrary). 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 shares of the same class or as between them and the holders of shares of any class or in accordance with the rights as to dividends or capital conferred by any class of shares.

Indemnity against claims in respect of shares

- 11.(1) Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability on the Company to make any payment, or empowers any government or taxing authority or government official to require the Company to make any payment, in respect of any shares held either jointly or solely by any Member or in respect of any dividends or other moneys due or payable or accruing due or which may become

due or payable to such Member by the Company or in respect of any such shares or for or on account or in respect of any Member, and whether in consequence of:

- (a) the death of such Member;
- (b) the non-payment of any income tax or other tax by such Member;
- (c) the non-payment of any estate, probate, succession, death, stamp, or other duty by the executor or administrator of such Member or by or out of his estate; or (without limitation)
- (d) any other act or thing;

the Company in every such case shall be fully indemnified by such Member or his executor or administrator from all liability arising by virtue of such law and may recover as a debt due from such Member or his executor or administrator (wherever constituted or residing) any moneys paid by the Company under or in consequence of any such law, together with interest thereon at such rate as the Board may determine from the date of payment to the date of repayment.

- (2) Nothing contained in this Article shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and as between the Company and any Member, his executor, administrator and estate wherever constituted or situated, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.

Commissions on issue of shares

- 12. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

ALTERATIONS OF CAPITAL

Increase, consolidation, sub-division and cancellation

- 13. The Company may from time to time by ordinary resolution:
 - (a) increase its capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) sub-divide its existing 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) and the resolution may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; or
 - (d) 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 share capital by the amount of the shares so cancelled.

Fractions on consolidation

14. Whenever as a result of a consolidation or sub-division of shares any Members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and in particular may sell the shares representing the fractions to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale in due proportion among those Members and the Board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

Reduction of capital

15. Subject to the provisions of the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve or any share premium account or other undistributable reserves in any manner.

MODIFICATION OF RIGHTS

Variation of rights

- 16.(1) Subject to the provisions of the Statutes, all or any of the rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied or abrogated 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 general meeting of the holders of those shares.
- (2) The rights attached to shares of any class shall not, unless otherwise expressly provided by the terms on which they are for the time being held, be deemed to be varied by (a) the creation or issue of further shares ranking *pari passu* with them or (b) the purchase or redemption by the Company of any of its own shares.

Class meetings

17. The provisions of these Articles relating to general meetings shall apply to every separate general meeting of the holders of any class of shares; but so that the necessary quorum shall be holders in person or by proxy representing not less than one third in nominal value of the issued shares of that class and that at any such meeting any holder of shares of the class present in person or by proxy may demand a poll and that if at any such meeting the above quorum is not present then at any adjourned meeting such holders who are present in person or by proxy shall constitute a quorum.

SHARE CERTIFICATES

Right to share certificate

- 18.(1) Every person (except a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange in respect of which the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered in the Register as a holder of any shares in certificated form shall (except as otherwise provided by or pursuant to the Statutes or these Articles) be entitled, without payment, to receive within one month after allotment (or within such other period as the terms of issue shall provide) or (in the case of a

transfer of fully paid shares) within 5 days after lodgement of the transfer, or (in the case of a transfer of partly paid shares) within one month after lodgement of the transfer, one certificate for all those shares of any one class held by him or, on request of the Member entitled to the certificate, several certificates each for one or more of the shares of the class in question (subject to the prior payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board may from time to time decide). In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. Every certificate shall be sent at the risk of the registered holder or holders of the shares comprised in the certificate.

- 18(2) The Directors shall have power to implement any arrangements they may think fit in relation to the evidencing and transfer of shares in uncertificated form.

Conversion of certificated shares into uncertificated shares and vice versa may be made in such manner as is permitted by the Regulations. The Company shall enter on the register of members how many shares are held by each member in uncertificated form and/or certificated form and shall maintain the Register in each case as required by the Regulations. Notwithstanding any provision of these Articles, a class of share shall not be treated as two classes by virtue only of that class comprising both shares in certificated form and shares in uncertificated or as the result of any provision of these Articles or the Regulations which apply only in respect of shares in certificated form or shares in uncertificated form.

The provisions of Articles 18(1), 19 and 20 shall not apply to shares in uncertificated form.

Replacement of share certificates

19. If a share certificate shall be damaged, defaced, or alleged to have been lost, stolen or destroyed or not received in the course of post, it may be replaced by a new certificate on delivery up of the old certificate or (if alleged to have been lost, stolen, destroyed or not received) on such terms (if any) as to evidence and indemnity (with or without security) and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request, the investigation of the evidence and arrangement of the indemnity and security, as the Board may decide.

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.

If any Member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if they think fit, comply with such request. In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

Execution of share certificates

20. Every share certificate shall be issued under Seal or in such other manner as the Board, having regard to the terms of issue, the Statutes and any applicable regulations of the London Stock Exchange, may authorise and shall specify the number and class of the shares to which it relates and the amount or respective amounts paid up on the shares.

EVIDENCE OF TITLE TO SECURITIES

Evidence of title to Securities

21. Title to any securities of the Company may be evidenced or transferred without a written instru-

ment in accordance with regulations from time to time made under the Statutes and nothing in these Articles shall require title to any securities of the Company to be evidenced or transferred by a written instrument, to the extent that the regulations so permit. The Board shall have power to implement any arrangements it may think fit for such evidencing and transfer which accord with those regulations.

LIEN

Company's lien on shares not fully paid

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable to the Company (whether presently payable or not) in respect of that share. The Board may at any time generally or in any particular case waive any lien that has arisen or declare any shares to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall extend to every amount payable in respect of it including (but without limitation) all dividends and interest payable on it.

Enforcing lien by sale

23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, and is not paid within fourteen clear days after a notice in writing, stating that if the notice is not complied with the shares may be sold and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled to it by reason of his death or bankruptcy or otherwise by operation of law.

Giving effect to a sale

24. To give effect to any sale referred to in the preceding Article the Board may authorise some person to transfer the shares sold to the purchaser. The transferee shall be registered as the holder of the shares comprised in any such transfer (whether or not the certificate relating to the shares has been produced), and shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in the proceedings in reference to the sale.

Application of proceeds of sale

25. The net proceeds, after payment of the costs, of the sale by the Company of any shares on which it has a lien shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue (if any) shall (on surrender to the Company for cancellation of the certificate(s) for the shares sold, and subject to a like lien for sums not presently payable as existed on the shares before the sale) be paid to the holder at the date of sale.

CALLS ON SHARES

Calls

26. Subject to the terms of issue, the Board may from time to time make calls on the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not payable on a date fixed by or in accordance with the terms of issue, and each Member shall (subject to the Company serving on him at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be revoked or postponed as

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

Payment of calls

27. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

Interest due on non-payment

28. If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the unpaid amount from the day appointed for payment to the time of actual payment at such rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is fixed, such rate, not exceeding 15 per cent. per annum or, if higher, the appropriate rate as defined by the Statutes as the Board may determine. The Board shall be at liberty to waive payment of such interest wholly or in part.

Sums due on allotment treated as calls

29. Any sum which, in respect of a share, becomes payable on allotment or at any other date fixed by or in accordance with the terms of issue, whether in respect of the nominal value of the share or by way of premium or as an instalment of a call, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by or in accordance with the terms of issue, the sum becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to differentiate

30. Subject to the terms of issue, the Board may, on the issue of shares, differentiate between the allottees and/or holders as to the amount of calls to be paid and the times of payment.

Payment of calls in advance

31. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid on any shares held by him, and may pay interest on all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) at such rate not exceeding (unless the Company by ordinary resolution may otherwise direct) 15 per cent. per annum or, if higher, the appropriate rate (as defined in the Statutes) as may be agreed between the Board and the member as the Board may decide, but no part of such moneys shall be included or taken into account in ascertaining the amount of the dividend payable on the shares in respect of which such advance has been made.

Rights of Member when call unpaid

32. No Member shall be entitled to receive any dividend or to be present and vote at any general meeting either personally or (save as proxy for another Member) by proxy, or be included in a quorum, or to exercise any other privilege as a Member, unless and until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

FORFEITURE OF SHARES

Notice if call not paid

33. If any Member fails to pay any call or money payable under the terms of allotment of a share on the day appointed for payment, the Board may at any time, while it remains unpaid, serve a notice on him requiring payment, together with any interest that may have accrued on it, and any costs, charges and expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice

34. The notice shall name a further day (not being less than fourteen clear days from the date of notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited upon such terms and conditions as may be agreed and subject to such terms and conditions references in these Articles to forfeiture shall include surrender.

Forfeiture if non-compliance with notice

35. If the notice is not complied with, any share in respect of which it was given may, at any time before payment of all calls or instalments and interest due in respect of it has been made, be forfeited by a resolution of the Board to that effect and the forfeiture shall include all dividends declared and other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

Notice after forfeiture

36. When any share has been forfeited, notice of the forfeiture shall be served on the person who was before forfeiture the holder of the share but no forfeiture shall be invalidated by any omission or neglect to give the notice.

Sale of forfeited shares

37. Until cancelled in accordance with the requirements of the Statutes, a forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder or to any other person on such terms and in such manner as the Board shall decide. The Board may for the purposes of the disposal in respect of shares held in certificated form authorise some person to execute an instrument of transfer to the designated transferee or in the case of shares held in uncertificated form make other arrangements for their transfer, to or in accordance with the directions of the purchaser. The Company may receive the consideration (if any) given for the share on its disposal and if the share is in registered form may register the transferee as the holder of the share. At any time before a sale, re-allotment or disposition the forfeiture may be cancelled by the Board on such terms as the Board may decide.

Arrears to be paid notwithstanding forfeiture

38. A person whose shares have been forfeited shall cease to be a Member in respect of them and shall in the case of shares held in certificated form surrender to the Company for cancellation the certificate for the forfeited shares or make such other arrangements, consistent with the facilities

and requirements of the relevant system concerned in relation to any share which is in uncertificated form, but in both cases shall remain liable to pay to the Company all moneys which at the date of the forfeiture were payable by him to the Company in respect of those shares with interest on them from the date of forfeiture until payment and all costs, charges and expenses incurred by the Company for which he is liable under these Articles. The Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.

Statutory declaration as to forfeiture

39. A statutory declaration that the declarant is a Director or the Secretary, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on any sale or disposition of it. The declaration shall (subject to the execution of an instrument of transfer if necessary) constitute good title to the share and the person to whom the share is sold or disposed of shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, reallocation or disposal of the share.

Forfeiture provisions applicable to sums due under terms of issue

40. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if it had been payable by virtue of a call duly made and notified.

TRANSFER OF SHARES

Form of transfer

- 41.(1) Subject to such of the Restrictions of these Articles as may be applicable, any Member may transfer all or any of his shares by instrument of transfer in any usual or common form or in any other form which the Board may approve.
- 41.(2) All transfers of shares in uncertificated form shall be made in accordance with and subject to the Regulations and the facilities and requirements of the relevant system concerned and subject to and in accordance with any arrangements made by the Directors pursuant to Article 18(2).

Execution of transfer

42. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it. All instruments of transfer, when registered, may be retained by the Company or its agent but any instrument of transfer, which the Board refuses to register shall be returned to the person lodging it when notice of refusal is given.

Balance certificate

43. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

Right to decline registration of partly paid shares or shares in respect of which it has a lien

44. The Board may, in its absolute discretion and without assigning any reason, decline to register any transfer of any share whether in certificated or uncertificated form which is not a fully paid share provided that the exercise of such discretion does not prevent dealings in the shares on the London Stock Exchange from taking place on an open and proper basis. The Board may also decline to register any transfer of shares on which the Company has a lien and in the case of shares in uncertificated form in such other circumstances (if any) as may be permitted by the Regulations and the requirements of the relevant system concerned.

Other rights to decline registration

45. The Board may also decline to recognise any transfer of any share or shares in certificated form unless:
- (a) the instrument of transfer is lodged at the registered office of the Company or at such other place as the Board shall determine, accompanied by the certificate for the share or shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (b) the instrument of transfer is in respect of only one class of share; and
 - (c) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

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 the lodgement of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

Notice of refusal

46. If the Board declines to register a transfer it shall, within two months after the date on which the transfer was lodged with the Company or, in respect of a transfer of shares in uncertificated form, the date on which the Operator-instructions (as defined in the Regulations) was received by the Company or by the sponsoring system participant acting on its behalf, send to the transferee notice of the refusal.

Suspension of registration

47. The registration of transfers may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Board may from time to time determine.

No fee for registration

48. No fee shall be charged by the Company for registering any transfer or other document relating to or affecting the title to any share or otherwise for making any entry in the Register affecting the title of any shares.

Recognition of renunciation

49. No provision of these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee prior to his entry on the Register in respect of such share in favour of some other person.

TRANSMISSION OF SHARES

Transmission on death

50. If a Member dies, the survivor or survivors, 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 shares. Nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons.

Entry of transmission in Register

51. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a Member or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the Board, the Board shall within two months after proof cause the entitlement of that person to be noted in the Register.

Election of person entitled by transmission

52. Any person entitled by transmission to a share may, subject as provided elsewhere in these Articles, elect either to become the holder of the share or to have some person nominated by him registered as the holder. If he elects to be registered himself, he shall in the case of shares held in certificated form give notice to the Company to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the share in favour of that person and in the case of shares in uncertificated form, make arrangements consistent with the facilities and requirements of the relevant system concerned for the transfer of such shares to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of the Member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer executed by the Member.

Rights of person entitled by transmission

53. Where a person becomes entitled by transmission to a share, the rights of the holder in relation to that share shall cease, but the person entitled by transmission to the share may give a good discharge for any dividends or other moneys payable in respect of it and shall have the same rights in relation to the share as he would have had if he were the holder of it save that, until he becomes the holder, he shall not be entitled in respect of the share to receive notice of or to attend or vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company. The Board may at any time give notice requiring the person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the notice have been complied with.

STOCK

Stock conversion

54. The Company may from time to time by ordinary resolution convert all or any of its paid-up shares into stock or reconvert any stock into paid-up shares of any denomination. If and whenever any unissued share of any class in the capital of the Company for the time being is subsequently issued and fully paid and at that time the shares of that class previously issued shall have

been converted into stock, such further shares on being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of that class.

Transfer of stock

55. The holders of stock may transfer the same or any part of it in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near as circumstances admit. The Board may from time to time fix the minimum amount of stock which, or multiples of which, shall be transferable, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Rights of holders of stock

56. Stock shall confer on its holders the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company or at class meetings, Directors' qualification and (without limitation) all other matters as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock arose, but so that no such privilege or advantage except participation in the dividends, profits and assets of the Company shall be conferred by an amount of stock as would not, if existing in shares, have conferred such privilege or advantage. No such conversion shall affect or prejudice any preference or other special privilege attached to the shares converted. Save as set out in this Article, all the provisions of these Articles shall, so far as circumstances admit, apply to stock as well as to shares.

DESTRUCTION OF DOCUMENTS

Entitlement to destroy documents

57. The Company may destroy:
- (a) any share certificate which has been cancelled at any time after a period of one year has elapsed from the date of cancellation;
 - (b) any instruction concerning the payment of dividends or other moneys in respect of any share or any notification of change of name or address at any time after a period of two years has elapsed from the date the instruction or notification was recorded by the Company;
 - (c) any instrument of transfer of shares which has been registered at any time after a period of six years has elapsed from the date of registration; or
 - (d) any other document on the basis of which any entry is made in the Register at any time after a period of six years has elapsed from the date the entry was first made in the Register in respect of it.

Presumption where documents destroyed

58. If the Company destroys any such document in good faith and without express notice that its preservation was relevant to a claim, it shall be presumed irrebuttably in favour of the Company that every share certificate so destroyed was a valid certificate and was properly cancelled, that every instrument of transfer so destroyed was a valid and effective instrument of transfer and was properly registered and that every other document so destroyed was a valid and effective

document and that any particulars of it which are recorded in the books or records of the Company were correctly recorded. Nothing contained in this Article shall be construed as imposing on the Company any liability by reason ~~only~~ of the destruction of any document of the kind mentioned above before the relevant period mentioned in this Article has elapsed or of the fact that any other condition precedent to its destruction mentioned above has not been fulfilled. References in this Article to the destruction of any document include references to its disposal in any manner.

GENERAL MEETINGS

Annual general meetings

59. The Company shall hold general meetings as annual general meetings in accordance with the requirements of the Statutes. The annual general meeting shall be held at such time and place as the Board shall appoint.

Extraordinary general meetings

60. The Board may whenever it thinks fit and shall on requisition in accordance with the Statutes convene an extraordinary general meeting. All general meetings, other than annual general meetings, shall be called extraordinary general meetings.

Time and place of general meetings

61. Subject to the Statutes, all general meetings shall be held at such time and place as the Board may determine.

Length of notice

62. (1) An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution electing a person as a Director shall be called by not less than twenty-one clear days' notice. All other extraordinary general meetings shall be called by not less than fourteen clear days' notice. The notice shall specify the place, day and time of the meeting and, in the case of special business, the general nature of the business to be transacted or the text of the resolutions to be proposed and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect and, in each case, there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a Member of the Company. In the case of an annual general meeting, the notice shall also specify the meeting as such. Notice of every general meeting shall be given to all Members other than any who, under the provisions of these Articles, the terms of issue of the shares they hold or the Statutes, are not entitled to receive such notices from the Company, each of the Directors and to the auditors for the time being of the Company.
- (2) Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Article, it shall be deemed to have been properly called if it is so agreed:
- (a) in the case of an annual general meeting, by all the Members entitled to attend and vote at the meeting; and

- (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
- (3) All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting with the exception of declaring a dividend, the receipt, consideration, laying before the Company or adoption of the accounts and balance sheets and the reports of the Directors and Auditors, the election of Directors appointed by the Board pursuant to the provisions of Article 95 or the re-election of Directors retiring by rotation pursuant to the provisions of Article 97, the appointment of the Auditors and the settling of the remuneration of the Directors and Auditors or determining the manner in which the remuneration is to be settled.
- (4) For the purpose of giving notice of any general meeting to Members who hold shares in uncertificated form, the Directors may determine that the Members in respect of such shares entitled to receive such notices are those persons entered on to the register of members at the close of business on a day determined by them, such day not being more than 21 days before the day that the notice of general meeting is despatched.

A notice of general meeting to Members who hold shares in uncertificated form may specify a time, being not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting. Changes made to the entries on the register of members after the time so specified shall be disregarded in determining the rights of any person to attend or vote at the meeting.

A Member present either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

Arrangements for general meetings

63. (1) In the case of any annual general meeting or of any extraordinary general meeting the Board may, notwithstanding the specification in the notice of the place of the general meeting ("the Principal Place"), at which the Chairman of the meeting shall preside, make arrangements for simultaneous attendance and participation at other places by Members and proxies entitled to attend the general meeting and the Members present or by proxy at such place shall count in the quorum and be entitled to vote at the general meeting in question but excluded from the Principal Place under the provisions of this Article.
- (2) Such arrangements for simultaneous attendance at the meeting may include arrangements regarding the level of attendance at the other places provided that they shall operate so that any Members and proxies excluded from attendance at the Principal Place are able to attend at one of the other places. For the purpose of all other provisions of these Articles any such meeting shall be treated as being held and taking place at the Principal Place.
- (3) The Board may, for the purpose of facilitating the organisation and administration of any general meeting to which such arrangements apply, from time to time make arrangements, whether involving the issue of tickets (on a basis intended to afford to all Members and proxies entitled to attend the meeting an equal opportunity of being admitted to the Principal Place) or the imposition of some random means of selection or otherwise as it shall in its absolute discretion consider to be appropriate, and may from time to time

vary any such arrangements or make new arrangements in their place. The entitlement of any Member or proxy to attend a general meeting at the Principal Place shall be subject to the arrangements as may be for the time being in force whether stated in the notice of the meeting to apply to that meeting or notified to the Members concerned after despatch of the notice of the meeting.

Omission or non-receipt of notice

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

PROCEEDINGS AT GENERAL MEETINGS

Quorum

65. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a Chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two Members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Procedure if quorum not present

66. If within five minutes (or such longer time not exceeding one hour as the Chairman of the meeting may decide to wait) from the time appointed for the meeting 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 stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Chairman of the meeting may determine and at such adjourned meeting. If a quorum is not present within 15 minutes after the time appointed for holding the meeting, the meeting shall be dissolved.

Chairman of general meetings

67. (1) The Chairman (if any) of the Board or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting. If there is no Chairman or Deputy Chairman, or if at any meeting neither the Chairman nor any Deputy Chairman is present within five minutes after the time appointed for the commencement of the meeting, or if neither the Chairman nor any Deputy Chairman is willing to act as Chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as Chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote shall appoint one of their number to be Chairman.
- (2) The Chairman shall take such action as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and the Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination, acting in good faith, as to whether any matter is of such a nature.

Directors' right to attend and speak

68. Notice of any general meeting shall be given to each Director and each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting

of the holders of any class of shares in the Company. 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.

Adjournments

69. (1) The Chairman of any general meeting may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting either with no appointed date or to another time or place. In addition, the Chairman may at any time without the consent of the meeting adjourn any meeting (whether or not it has commenced or a quorum is present) either with no appointed date or to such other time and place as the Board or the Chairman of the meeting may decide if it appears to him that:

- (a) the number of persons wishing to attend cannot be conveniently accommodated in the place(s) appointed for the meeting; or
- (b) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or
- (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

When a meeting is adjourned with no appointed date, the time and place for the adjourned meeting shall be fixed by Chairman. No business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except where these Articles otherwise require, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting whatever the reason for the adjournment.

The Chairman/Board may adjourn such meeting notwithstanding that by reason of such adjournment some members may be unable to be present at the adjourned meeting. Any such member may nevertheless execute a form of proxy for the adjourned meeting which, if delivered by him to the Chairman or the secretary of the Company, shall be valid even though it is given at less notice than would otherwise be required by these Articles.

Amendments to resolutions

70. (1) In the case of a resolution duly proposed as a special or extraordinary resolution, no amendment (other than an amendment to correct a patent error) may be considered or voted on and, in the case of a resolution duly proposed as an ordinary resolution, no amendment (other than an amendment to correct a patent or clerical error) may be considered or voted on unless at least forty-eight hours prior to the time appointed for holding the meeting or adjourned meeting at which such resolution is to be proposed notice in writing of the terms of the amendment and intention to move it has been lodged at the Office.

(2) If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. With the consent of the Chairman of the meeting, an amendment may be withdrawn by its proposer before it is voted upon.

VOTING

Method of voting

- 71.(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 or on the withdrawal of any other demand for a poll) properly demanded by:
- (a) the Chairman of the meeting; or
 - (b) not less than three Members present in person or by proxy and entitled to vote at the meeting; or
 - (c) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
 - (d) any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (2) The demand for a poll may be withdrawn.
- (3) Unless a poll is duly demanded (and the demand is not withdrawn), a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or not carried by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Votes of Members

72. Subject as is otherwise provided by these Articles and to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member 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 each share of which he is the holder.

Procedure if poll demanded

73. Except as provided in these Articles, if a poll is duly demanded it shall be taken in such manner as the Chairman of the meeting directs and he may appoint scrutineers who need not be Members. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

When poll to be taken

74. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at a later stage of the meeting or on such date (being not later than thirty days after the date of the demand) and at such time and place as the Chairman shall direct. It shall not be necessary (unless the Chairman otherwise directs) for notice to be given of a poll if the time and place at which it is to be taken are announced at the meeting at which the poll is demanded. In any other case at least seven clear days notice shall be given specifying the time and place at which the poll is to be taken.

Continuance of other business after poll demand

75. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a demand for a poll is withdrawn, the result of a show of hands declared before the demand was made shall remain valid. If the demand for a poll is withdrawn, the chairman or any other member entitled may demand a poll.

Votes on a poll

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

Casting vote of Chairman

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

Votes of joint holders

78. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register.

Votes on behalf of an incapable Member

79. A Member in respect of whom an order has been made by any competent court or official on the ground that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by any guardian, receiver or other person authorised in such circumstances to do so on his behalf and that guardian, receiver or other person may vote on a poll by proxy, provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote has been delivered at the Office (or at such other place as may be specified in accordance with these Articles for the delivery of instruments appointing a proxy) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the relevant meeting or on the holding of the poll.

No right to vote where sums overdue

80. No Member shall be entitled to vote at any general meeting either in person or proxy unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Objection or errors in voting

81. If:
- (a) any objection shall be raised to the qualification of any voter; or
 - (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
 - (c) any votes are not counted which ought to have been counted

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless it is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that it may have affected the decision of the meeting. The decision of the Chairman on such matters shall be conclusive.

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.

Suspension of rights where non-disclosure of interests

82. (1) For the purposes of this Article:

- (a) "Disclosure Notice" means a notice issued by the Company requiring the disclosure of interests in shares pursuant to the Statutes;
- (b) "Restrictions" means one or more, as the case may be, of the restrictions referred to in paragraph (3) of this Article as determined by the Board;
- (c) "Specified Shares" means the shares specified in a Disclosure Notice; and
- (d) a person shall be treated as appearing to be interested in shares if:
 - (i) such person has been named in response to a Disclosure Notice as being so interested;
 - (ii) in response to a Disclosure Notice, the Member holding such shares or any other person appearing to be interested in such shares has failed to establish the identities of those who are interested in such shares and (taking into account the response and any other relevant information) the Company has reasonable cause to believe that the person in question is or may be interested in the shares; or
 - (iii) the Member holding such shares is an Approved Depositary and the person in question has notified the Approved Depositary that he is so interested.

(2) Notwithstanding anything in these Articles to the contrary, if:

- (a) a Disclosure Notice has been served on a Member or a person appearing to be interested in shares; and
- (b) the Company has not received the information required in respect of the Specified Shares within a period of fourteen days (subject as provided in paragraphs (7) and (9) of this Article) after the service of the Disclosure Notice

then the Board may determine that the Member holding the Specified Shares shall be subject to the Restrictions. The Company shall, as soon as practicable after such determination, give notice to the relevant Member stating to the effect that (until such time as the Board determines otherwise pursuant to paragraph (4) of this Article) the Specified Shares shall be subject to the Restrictions stated in the notice.

- (3) Subject to paragraphs (4), (7) and (9) of this Article, the Restrictions which the Board may determine shall apply to Specified Shares shall be one or more, as determined by the Board, of the following:
- (a) that the Member holding the Specified Shares shall not be entitled, in respect of those Specified Shares, to be present or to vote either personally or by proxy or otherwise at any general meeting or at any separate general meeting of the holders of any class of shares or on any poll or to exercise any other right in relation to any general meeting or any separate class meeting;
 - (b) that no transfer of the Specified Shares shall be effective or shall be recognised by the Company;
 - (c) that no dividend or other moneys which would otherwise be payable on or in respect of the Specified Shares shall be paid to the Member holding the Specified Shares and that, in circumstances where an offer of the right to elect to receive Ordinary Shares instead of cash in respect of any dividend is or has been made, any election made in respect of the Specified Shares shall not be effective.
- (4) The Board may determine that one or more Restrictions imposed on Specified Shares shall cease to apply at any time. If the Company receives the information required in the relevant Disclosure Notice in respect of the Specified Shares, the Board shall, within seven days of receipt, determine that all Restrictions imposed on Specified Shares shall cease to apply. In addition, the Board shall determine forthwith that all Restrictions imposed on Specified Shares shall cease to apply if the Company receives an executed and duly stamped instrument of transfer in respect of the Specified Shares, which would otherwise be given effect to, pursuant to:
- (a) a sale of the Specified Shares through a recognised investment exchange or on any stock exchange outside the United Kingdom on which the Company's shares are normally dealt in;
 - (b) acceptance of a takeover offer for the Company (within the meaning of section 428 of the Companies Act 1985 (as from time to time amended or re-enacted));
 - (c) a sale which is shown to the satisfaction of the Board to be a bona fide sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares.
- (5) Where dividends or other moneys payable on Specified Shares are not paid as a result of Restrictions having been imposed, the dividends or other moneys shall accrue and shall be payable (without interest) on the relevant Restriction ceasing to apply.
- (6) Where the Board makes a determination under paragraph (4) of this Article it shall notify the purported transferee as soon as practicable and any person may make representations in writing to the Board concerning any such determination. Neither the Company nor the Board shall in any event be liable to any person as a result of the Board having imposed Restrictions or failed to determine that Restrictions shall cease to apply if the Board has acted in good faith.
- (7) Where the Specified Shares represent less than 0.25 per cent. (in nominal value) of the shares of the same class as the Specified Shares in issue at the date of issue of the relevant Disclosure Notice then:
- (a) the period of fourteen days referred to in paragraph (2)(b) of this Article shall be deemed to be reference to a period of twenty-eight days; and

- (b) any determination made by the Board in respect of the Specified Shares pursuant to paragraph (2) of this Article may only impose the restriction referred to in paragraph (3)(a) of this Article.
- (8) Shares issued in right of Specified Shares which are for the time being subject to particular Restrictions shall on issue become subject to the same Restrictions as the Specified Shares in right of which they are issued. For this purpose, shares which the Company procures to be offered to shareholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain Members by reason of legal or practical problems associated with offering shares outside the United Kingdom) shall be treated as shares issued in right of Specified Shares.
- (9) The Board may at any time, at its discretion, suspend, in whole or in part, the imposition of any Restrictions either permanently or for any given period and may pay to a trustee any dividend or other moneys payable in respect of any shares subject to the Restriction referred to in paragraph (3)(c) of this Article. Notice of any suspension, specifying the Restrictions suspended and the period of suspension, shall be given by the Company to the relevant holder as soon as practicable thereafter.
- (10) Where any person appearing to be interested in shares has been duly served with a Disclosure Notice and the shares in which he appears to be interested are held by an Approved Depositary, the provisions of this Article shall be treated as applying only to those shares held by the Approved Depositary in which such person appears to be interested and not (by virtue of that person's apparent interest) to any other shares held by the Approved Depositary.
- (11) Where the Member on which a Disclosure Notice is served is an Approved Depositary acting in its capacity as such, the obligations of the Approved Depositary as a Member of the Company shall be limited to disclosing to the Company such information relating to any person appearing to be interested in the shares held by it as has been recorded by it pursuant to the arrangements entered into by the Company or approved by the Board pursuant to which it was appointed as an Approved Depositary.
- (12) Nothing contained in this Article shall limit or in any way restrict the powers of the Company or the Board under the Statutes.

Representation of corporations

83. Any corporation being a Member may, by resolution of its directors or other governing body, authorise such person (or if, but only if, such corporation is an Approved Depositary acting in its capacity as such, persons) as it thinks fit to act as its representative (or, as the case may be, representatives) at any general meeting of the Company or of any class of Members of the Company. A person so authorised shall be entitled to exercise the same powers on behalf of the grantor of the authority (in respect of those shares held in the name of the grantor in relation to which his authorisation is given, in the case of any authorisation given by any Approved Depositary) as the grantor could exercise if it were an individual Member of the Company and each person so authorised shall, if present at any such meeting, for the purposes of these Articles, be deemed to be a Member present in person at such meeting. A Director, the Secretary or some person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.

PROXIES

Execution of proxies

84. An instrument appointing a proxy shall be in writing under the hand of the appointor or his

attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign it.

Form of proxy

85. Instruments of proxy shall be in any usual form or in such other form as the Board may approve and the Board may, if it thinks fit, but subject to the provisions of the Statutes, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit but shall not confer any further right to speak at the meeting, except with the permission of the Chairman of the meeting. The instrument of proxy shall, unless the contrary is stated in it, also be valid for any adjournment of the meeting. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required to be delivered again for the purposes of any subsequent meeting to which it relates.

Delivery of proxies

86. The instrument appointing a proxy and (if required by the Board) any authority under which it is executed or a copy of the authority, certified notarially or in some other manner approved by the Board, may be delivered to the Office (or to such other place in the United Kingdom as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any accompanying document) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and an instrument of proxy which is not so delivered shall be invalid. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting or poll concerned.

Cancellation of proxy's authority

87. A vote given or poll demanded by a proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice in writing of the determination was received by the Company at the Office (or such other place in the United Kingdom as was specified for the delivery of instruments of proxy in the notice convening the meeting or other accompanying document) not later than the last time at which an instrument of proxy should have been delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll taken.

Maximum validity of proxy

88. No instrument appointing a proxy shall be valid after twelve months have elapsed from the date named in it as the date of its execution.

Proxy need not be a Member

89. A proxy need not be a Member of the Company.

NUMBER, APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

Number of Directors

90. Unless and until otherwise determined by the Company by ordinary resolution the Directors shall be not less than two and the number of Directors shall be subject to a maximum of 10.

Age of Directors

91. Notwithstanding any provision of the Statutes, no person shall be capable of being appointed a Director after he has attained the age of 70 and a Director shall vacate his office at the conclusion of the Annual General Meeting commencing next after he attains the age of 75; but acts done by a person as Director are valid notwithstanding that it is afterwards discovered that his appointment had terminated under this Article.

Absence of Directors' shareholding qualification

92. No shareholding qualification for Directors shall be required. A Director who is also a Member shall nevertheless be entitled to attend and speak at shareholders' meetings.

Power of Company to appoint Directors

93. Subject to the provisions of these Articles, the Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a casual vacancy or as an addition to the existing Board or to replace a Director removed from office by the Company in general meeting pursuant to the Statutes, but so that the total number of Directors shall not at any time exceed any maximum number (if any) fixed by or in accordance with these Articles. Any person appointed to replace a Director removed from office by the Company in general meeting pursuant to the Statutes shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or reappointed a Director.

Election of two or more Directors

94. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting of the Company unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

Power of the Board to appoint Directors

95. Without prejudice to the power of the Company in general meeting pursuant to any of the provisions of these Articles to appoint any person to be a Director, the Board may appoint any person who is willing to act to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for election. Any Director who retires at the following annual general meeting under this Article shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

Powers of executive Directors

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

Number and identity of Directors to retire by rotation

- 97.(1) At every annual general meeting of the Company one third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not more than one third shall retire from office.
- (2) The Directors to retire on each occasion shall include (so far as is necessary to obtain the numbers required) (i) any Director who is due to retire at the meeting by reason of age (ii) any Director who wishes to retire and not offer himself for re-election and (iii) those Directors who have been longest in office since their last election, but, as between persons whose last election took place on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Recent appointments

98. The Directors to retire on each occasion under Articles 95 and 97 (both as to number and identity) shall be determined by the composition of the Board at the commencement of business on the day which is fourteen days prior to the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time on that day but before the close of the meeting.

Eligibility for re-election

99. A Director retiring by rotation shall be eligible for re-election.

Filling rotation vacancies and timing of retirement

- 100.(1) Subject to the provisions of the Statutes and of these Articles, the Company at the meeting at which a Director retires under Articles 95 or 97 may fill the vacated office by electing a person as a Director and, in default, the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless (i) at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost (ii) where such Director has attained the age of 70 or (iii) where such Director has given notice in writing to the Company that he is unwilling to be re-elected.
- (2) A Director retiring at a meeting shall retain office until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and, accordingly, a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

Changes to the numbers of retiring Directors

101. The Company may from time to time by ordinary resolution increase or reduce the number of Directors to retire from office, and may also determine in what rotation the increased or reduced number is to retire from office.

Persons eligible as Directors

102. No person other than a Director retiring at the meeting (whether by rotation or otherwise) shall be eligible for election or re-election to the office of Director at any general meeting unless:

- (a) he is recommended by the Board; or
- (b) not less than seven nor more than forty-two days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by a Member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election or re-election, and also notice in writing signed by that person of his willingness to be elected or re-elected.

Vacation of office by Directors

103. Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of a Director shall be vacated if:

- (a) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
- (b) the Company, by extraordinary resolution, shall remove him before the expiration of his period of office;
- (c) by notice in writing delivered to the Office or tendered at a meeting of the Board, his resignation is requested by all of the other Directors and all of the other Directors are not less than three in number;
- (d) he becomes of unsound mind or a patient for any purpose of any statute relating to mental health and the Board resolves that his office is vacated;
- (e) he is absent without the permission of the Board from meetings of the Board for six consecutive months and the Board resolves that his office is vacated;
- (f) he becomes bankrupt or compounds with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement;
- (g) he is prohibited by law from being a Director;
- (h) he ceases to be a Director by virtue of the Statutes.

Alternate directors

104.(1) Each Director other than an alternate Director may appoint any person to be his alternate and may at his discretion remove an alternate director so appointed. If the alternate director is not already a Director, the appointment, unless previously approved by the Board, shall have effect only on and subject to it being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing executed by the appointor and delivered to the Office or tendered at a meeting of the Board, or in any other manner approved by the Board. If his appointor so requests, an alternate director shall be entitled to receive notice (except when absent from the United Kingdom) of all meetings of the Board or of committees of the Board of which his appointor is a member. He shall also be entitled to attend and vote as a director at any such meeting at which the Director appointing him is not personally present and at the meeting to

exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at the meeting the provisions of these Articles shall apply as if he were a Director.

- (2) Every person acting as an alternate director shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate director may be paid expenses and shall be entitled to be interested in and benefit from contracts and arrangements or transactions and to be indemnified by the Company to the same extent as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director.
- (3) Every person acting as an alternate director shall have one vote for each Director for whom he acts as alternate, in addition to his own vote if he is also a Director but he shall not be counted more than once for the purpose of the quorum. Execution by an alternate director of any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as execution by his appointor.
- (4) An alternate director shall automatically cease to be an alternate director (i) if his appointor ceases for any reason to be a Director except that, if at any meeting any Director retires by rotation or otherwise but is reappointed or deemed to be reappointed at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired (ii) on the happening of any event which, if he were a director, would cause him to vacate his office as a director; or (iii) if he resigns his office by notice to the company.

FEES, REMUNERATION, EXPENSES AND PENSIONS

Limitation of Directors' fees

105. There shall be paid to each Director (other than an alternate director) such fees for his services in his office as Director as may from time to time be determined by the Board provided that the fees so paid (excluding amounts payable under any other provision of these Articles) shall not exceed £25,000 per annum (which figure shall be subject to upwards only adjustment in line with any percentage increase in the Index of Retail Prices since the date of adoption of these Articles) or such higher amount as may from time to time be decided by ordinary resolution of the Company. The fees shall be deemed to accrue from day to day. For the purposes of this Article, the Index of Retail Prices means the index of retail prices published by the appropriate United Kingdom government department.

Additional remuneration

106. Any Director who, by request, goes or resides abroad for any purposes of the Company or who is appointed to any executive office or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board or any committee of the Board may in its discretion decide in addition to any remuneration provided for by or pursuant to any other Article.

Expenses

107. Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings of the

Company or of the holders of any class of shares or any other meeting which as a Director he is entitled to attend and shall be paid all other costs and expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

Remuneration of executive directors

108. Any Director appointed to hold any employment or executive office in accordance with the provisions of these Articles shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board or any committee of the Board may decide and either in addition to or in lieu of his remuneration as a Director.

Pensions and gratuities for Directors

109. The Board or any committee of the Board may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or (without limitation) in any other manner, for any Director or former Director or the relations or dependants of any Director or former Director. No Director or former Director shall be accountable to the Company or the Members for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director.

POWERS AND DUTIES OF DIRECTORS

General powers of the Company vested in the Board

110. Subject to the provisions of the Statutes, the Memorandum of Association, these Articles and to any directions given by the Company in general meeting by special resolution, the business of the Company shall be managed by the Board, which may exercise all such powers of the Company whether relating to the management of the business of the Company or not. No alteration of the Memorandum of Association or these Articles and no special resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that resolution had not been passed. The powers given by this Article shall not be limited by any special power given to the Board by any other Article and a meeting of the board at which a quorum is present may exercise all powers exercisable by the Board.

Borrowing powers and restrictions

111. (1) The Board may, subject as provided below, exercise all the powers of the Company to borrow money, to guarantee, to indemnify and to mortgage or charge its undertaking, property, assets (present and future) and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (2) The Board shall restrict the borrowing of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its Subsidiaries (if any) with a view to securing (as regards Subsidiaries as far as by such exercise the Board can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Company and/or any of its Subsidiaries (exclusive of moneys borrowed by the Company from and for the time being owing to any such Subsidiary or by any such Subsidiary from and for the time being owing to the Company or another such Subsidiary) shall not at any time, except with the previous sanction of an ordinary resolution of the Company, exceed five times the share capital and consolidated reserves.

Share capital and consolidated reserves means at any time the amount standing to the credit of the share capital account of the Company plus the aggregate amount standing to the credit of the

consolidated capital and revenue reserves (including any share premium account or capital redemption reserve fund) and the consolidated profit and loss account of the Company and its Subsidiaries all as shown in the latest audited consolidated accounts of the Company and its Subsidiaries, but (i) adjusted as may be necessary and appropriate to take account of any increase in or reduction of such share capital or reserves since the date to which the consolidated balance sheet incorporated in such accounts shall have been made up and any distributions (other than to the Company or another Subsidiary) out of profits earned down to the date of such balance sheet and not provided for in such balance sheet; (ii) excluding any sums set aside for taxation and any amounts attributable to minority interests in Subsidiaries. The certified opinion of the Auditors as to the amount of the Share Capital and Consolidated Reserves or to the effect that the limit imposed by this Article has not been or will not be exceeded at any time shall be conclusive and binding on all concerned.

- (3) No person dealing with the Company or any of its Subsidiaries shall by reason of this Article be concerned to see or inquire whether this limit is observed, and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit had been or would as a result be exceeded.

Local boards

112. The Board may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Board, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies in it and to act notwithstanding vacancies. Any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected.

Delegation to committees

113. (1) The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Board) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit; provided that if the Board delegates any of its powers to any such committee:
- (a) the number of persons appointed to the committee who are not Directors shall be less than half the total number of the committee; and
 - (b) no resolution of such committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.
- (2) Any committee established pursuant to this Article shall, in the exercise of its duties, conform to any regulations which may be imposed on it by the Board. The meetings and proceedings of any committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles for regulating the meetings and procedures of the Board so far as they are applicable and are not superseded by any regulations imposed by the Board or made by the committee under powers delegated to it by the Board. The power to delegate contained in this

Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee of the Board.

Delegation to individual directors

114. The Board may entrust to and confer on any Director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions and with such Restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected.

Powers of attorney

115. The Board may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Articles) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him. The Board may revoke or vary any appointment under this Article but no person dealing in good faith and without notice of the revocation or variation shall be affected.

Official seals

116. The Company may exercise all the powers conferred by the Statutes with regard to having of official seals and those powers shall be vested in the Board.

Registers

117. Subject to the provisions of the Statutes, the Company may keep an overseas or local or other register in any place and the Board may make and vary such regulations as it may think fit regarding the keeping of the register.

Provision for employees

118. The Board may 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 Subsidiaries 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.

DIRECTORS' APPOINTMENTS AND INTERESTS

Appointment of Directors to executive offices

- 119.(1) Subject to the Statutes, the Board may from time to time appoint one or more Directors to hold any employment or executive office with the Company (including the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director) for such period (subject to the provisions of the Statutes) and on such other terms as the Board or a committee of the Board may in its discretion decide and may revoke, terminate or vary any such appointment.

- (2) The appointment of any Director to an executive office shall be subject to termination if he ceases for any reason to be a Director but without prejudice to any claim for damages for breach of any contract in respect of his services with the Company.

Other offices and shareholdings

120. A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise or as regards which it has any power of appointment, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer or from his interest in such other company.

Permitted interests and voting

121. (1) A Director who is to his knowledge in any way, whether directly or indirectly (through persons connected with him (within the meaning of Section 346 of the Act)) interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Board in accordance with the Statutes. For the purposes of this Article, a general notice to the Board by a Director to the effect that (i) he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of the notice be made with that company or firm or (ii) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next Board meeting after it is given.
- (2) A Director shall not vote in respect of any contract or arrangement in which he is to his knowledge directly or indirectly (through persons connected with him (within the meaning of Section 346 of the Act)) materially interested otherwise than by virtue of interests in shares or debentures or other securities of, or otherwise in or through, the Company and, if he shall do so, his vote shall not be counted nor shall he be counted in the quorum present at the meeting, but neither of these prohibitions shall subject to the provisions of the Statutes apply to:
- (a) any arrangement for giving him any guarantee, security or indemnity in respect of money lent or obligations undertaken by him for the benefit of the Company or any of its Subsidiaries; or
 - (b) any arrangement for the giving by the Company of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its Subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its Subsidiaries (i) in which offer he is or may be entitled to participate as a holder of shares, debentures or other securities or (ii) in the underwriting or sub-underwriting of which he is to participate;
 - (d) any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him within the meaning of Section 346 of the Act) does not have an interest (as that term is used in Part VI of the Act) in one per cent or more of the issued equity share capital 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 (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

- (e) any arrangement for the benefit of the employees of the Company or any of its Subsidiaries which does not award the Director any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
 - (f) any proposal concerning any insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors.
- (3) For the purpose of Article 121(2) there shall be disregarded any shares held by the Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his interest is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme (as defined in the Financial Services Act 1986 as from time to time amended or re-enacted) in which he is interested only as a unit holder.
- (4) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Board may determine and, subject to the provisions of the Statutes and of paragraph (1) of this Article, no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit or other benefit realised by any such contract or arrangement by reason of such Director holding that office or of his fiduciary duties.
- (5) A Director shall not vote on or be counted in the quorum in relation to any resolution of the Board concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in that case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another Director to an office or place of profit with a company in which the Company is interested and the Director seeking to vote or be counted in the quorum has a material interest in that company.
- (6) Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing in this Article shall authorise a Director or his firm to act as Auditors.
- (7) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman of the meeting) or as to the entitlement of any Director (other than the Chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the Chairman of the meeting and his ruling in relation to the Director concerned shall be conclusive except in a case where the nature or extent of his interest (so far as it is known to him) has not been fairly disclosed to the Board. If any question shall

arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the Board (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the number or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the Board.

PROCEEDINGS OF THE BOARD

Board meetings

122. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. The Chairman shall not have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

Notice of board meeting

123. Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be given by word of mouth or 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 and if no request is made to the Board it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom.

Quorum

124. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed, shall be two including at least one executive Director and one non-executive Director.

Directors below minimum through vacancies

125. The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the minimum number of Directors or as the necessary quorum of Directors, the continuing Directors may act for the purpose of filling vacancies in their body or of summoning general meetings of the Company but not for any other purpose.

Appointment of Chairman

126. The Board may appoint a Director to be the Chairman or Deputy Chairman of the Board. Unless he is unwilling to do so, the Chairman or, failing him, the Deputy Chairman shall act as chairman at every meeting of the Board; but if no such Chairman or Deputy Chairman is elected, or if at any meeting neither 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.

Competence of meetings

127. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

Resolution in writing

128. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned.

Participation in meetings by communication equipment

129. All or any of the members of the Board or any committee of the Board may participate in a meeting of the Board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and be heard by each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting is.

Validity of acts of Board or committee

130. All acts done by any meeting of the Board or of a committee of the Board or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director or member of such committee or person acting as a Director or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed or was not disqualified or had continued to be a Director or member of such committee.

Execution of negotiable instruments

131. All cheques, promissory notes, drafts, bills of exchange and other negotiable and 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 Board shall from time to time by resolution determine.

Minutes

132. The Board shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Board;
 - (b) of the names of the Directors and other persons present at each meeting of the Board and of any committee of the Board;
 - (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of any such committee.

Any such minutes, if purported to be signed by the Chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts stated in those minutes.

SECRETARY

Appointment, remuneration and removal

133. Subject to the Statutes the Secretary shall be appointed by the Board for such term, at such

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

Acts done by a person in dual capacity

134. A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as the Secretary.

SEALS

Seals

135. The Board shall provide for the safe custody of every Seal of the Company, which shall only be used by the authority of the Board or a committee of the Board authorised by the Board so to do. The Board or any committee of the Board may determine whether any instrument to which a Seal is affixed, shall be signed and, if it is to be signed, who shall sign it. Unless otherwise so determined -

- (a) share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under a Seal in respect of any debentures or other securities, need not be signed or any signature may be applied to any such certificate by any mechanical means or may be printed on any such certificate; and
- (b) every other instrument to which a Seal is affixed shall be signed by a Director and countersigned by the Secretary or another Director.

Where the Statutes so permit any instrument 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, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed shall be so signed and/or sealed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

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

AUTHENTICATION OF DOCUMENTS

Authentication of Documents

136. Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a shareholders' meeting or at a meeting of the Board or any committee, and any book, record, document or account relating to the business of the Company, and to certify copies of such matters or extracts from such matters as true copies or extracts; and where any book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody of such matters shall be deemed to be a person appointed by the Board as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith of such certified

document or extract 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.

DIVIDENDS AND RESERVES

Establishment of reserves

137. The Board may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Statutes.

Business bought as from past date

138. 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 the asset, business or property as from such date may at the discretion of the Board in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

Declaration of dividends by Company

139. Subject to the Statutes the Company may by ordinary resolution from time to time declare dividends, but no dividend shall be declared in excess of the amount recommended by the Board.

Dividends paid according to amount and period shares paid up

140. Subject to the rights attached to any shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid; but if any share be issued on terms providing that it shall rank for dividend as from a particular date it shall rank for dividend accordingly.

Payment of interim dividends by Board

141. The Board may from time to time pay to Members such interim dividends as appear to the Board to be justified by the profits and/or reserves of the Company.

Deductions from or retentions of dividends

142. (1) The Board may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company on which the Company has a lien.

- (2) The Board may retain the dividends payable upon any shares in respect of which, under the provisions contained in these Articles as to the transmission of shares, any person is entitled to become a Member or entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.

No interest on dividends

143. No dividend shall bear interest against the Company unless otherwise provided by the rights attaching to the share.

Payment procedure

144. Any dividend, interest or other moneys payable in cash in respect of registered shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder who is first named on the Register or to such person and to such address as the holder or joint holders may direct in writing or by such other method (including interbank or other funds transfer system and in respect of dividends or other monies related to shares in uncertificated form, by means of the relevant system (as defined in the Regulations)) which the Directors consider appropriate. Every such cheque, warrant or transfer of funds shall be made payable to the order of the person to whom it is sent and shall be sent at the risk of that person and payment of a cheque or warrant by the bank on which it was drawn or the transfer of the funds by the bank instructed to make the same shall be a good discharge to the company. In addition, any such dividend or other sum may be paid by any interbank or other funds transfer system or such other means and to or through such person as the holder or joint holders (as the case may be) may in writing direct and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions.

Joint holders

145. 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 by operation of law, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

Dividends not in cash

146. The Company may on the recommendation of the Board by ordinary resolution direct payment of the dividend wholly or partly by the distribution of specific assets and, in particular, of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Board shall give effect to such resolution and, where any difficulty arises in regard to such distribution, the Board may settle the difficulty as it thinks expedient and, in particular, may issue fractional certificates and fix the value for distribution of such specific assets or any part of them and may determine that cash payments shall be made to any Members on the footing of the values so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board.

Forfeiture of unclaimed dividends

147. All dividends unclaimed may be invested or otherwise made use of, at the Board's discretion, for the benefit of the Company until claimed, subject as provided in these Articles. Any dividend unclaimed after a period of twelve years from the date when it became due for payment

shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it.

Waiver of dividend

148. 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 Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by 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.

Script dividends

- 149.(1) The Board may, if authorised by an ordinary resolution of the Company, offer any holders of Ordinary Shares of the Company one or more of the following options:-

- (a) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Board) of any dividend declared or payable on all or any Ordinary Shares held by them, either to invest such cash in subscribing for unissued Ordinary Shares in the capital of the Company payable in full or by instalments or in paying up in full or by instalments any unpaid or partly paid Ordinary Shares held by them; or
- (b) instead of taking the net cash amount due to them in respect of all or any part (to be determined by the Board) of any dividend declared or payable on all or any Ordinary Shares held by them, to elect to receive new Ordinary Shares in the capital of the Company credited as fully paid; or
- (c) to forego their entitlement to all or any part (to be determined by the Board) of any dividend declared or payable on all or any Ordinary Shares held by them and to take instead fully paid bonus Ordinary Shares; or
- (d) any other option in respect of all or any part (to be determined by the Board) of any dividend on all or any Ordinary Shares held by them as the Board may determine.

- (2) In relation to any such option as is referred to in paragraph (1) of this Article, the following provisions shall apply:

- (a) an ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period;
- (b) the entitlement of each holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forego provided always that, in calculating the entitlement, the Board may at its discretion adjust the figure obtained by dividing the relevant value by the amount payable on the Ordinary Shares up or down so as to procure that the entitlement of each shareholder to new Ordinary Shares may be represented by a simple numerical ratio. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's Ordinary Shares on the London Stock Exchange as derived from the Daily Official List, on such five consecutive dealing days as the Board shall determine provided that the first of such days shall be on or after the day on which the Ordinary Shares are first quoted "ex" the relevant dividend, or in such other manner as may be determined by or in accordance with the ordinary resolution;

- (c) on or as soon as practicable after announcing that it is to declare or recommend any dividend the Board, if it intends to offer an election in respect of that dividend, shall also announce that intention and shall, after determining the basis of allotment, if it decides to proceed with the offer, notify the holders of Ordinary Shares in writing of the right of election offered to them and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order for elections to be effective;
- (d) the Board shall not proceed with any election unless the Company has sufficient authorised and unissued shares and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (e) the Board may exclude from any offer any holders of Ordinary Shares where the Board believes that the making of the offer to them would or might involve the contravention of the laws of any territory;
- (f) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which an election has been made ("the elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment calculated as stated. For such purpose the Board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account, share premium account, capital redemption reserve or any other undistributable reserve) whether or not the same is available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis;
- (g) the additional Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully-paid Ordinary Shares then in issue except that they will not be entitled to participate in the relevant dividend;
- (h) the Board may also from time to time establish or vary a procedure for election mandates, under which a holder of Ordinary Shares may elect to receive Ordinary Shares credited as fully paid instead of cash in respect of all future rights offered to that holder under this Article until the election mandate is revoked or deemed to be revoked in accordance with the procedure;
- (i) the Board may undertake and do such acts and things as it may consider necessary or expedient for the purpose of giving effect to the provisions of this Article including (without limitation) making such provisions as it may think fit in relation to any fraction of an Ordinary Share which may or would arise pursuant to the application of this paragraph (2) of this Article (including provisions whereby, in whole or in part, fractional entitlements are disregarded and the benefit of them accrues to the Company rather than to the Members concerned and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to, or cash subscription on behalf of, such shareholder of fully paid Ordinary Shares).

Articles 157 and 158 shall apply *mutatis mutandis* to capitalisations of profits or reserves effected pursuant to this Article.

RECORD DATES

Power to choose any record date

150. Notwithstanding any other provision of these Articles, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue provided that such record date is not later than the date on which the dividend, distribution, allotment or issue is paid or made.

ACCOUNTS

Records to be kept

151. The Board shall cause to be kept accounting records in compliance with the Statutes.

Inspection of records

152. The accounting records shall be kept at the Office or (subject to the provisions of the Statutes) at such other place as the Board thinks fit and shall at all times be open to inspection by officers of the Company. Except by the authority of the Board or as provided by the Statutes or ordered by a court of competent jurisdiction no Member in his capacity as such shall be entitled to inspect any accounting records or books or papers of the Company.

Preparation and laying of accounts and reports

153. The Board shall in respect of each financial year in accordance with the Statutes cause to be prepared and laid before the Company in general meeting such annual accounts and Directors' and Auditors' reports as are required by the Statutes.

Publication of accounts and reports

154. Except as provided in the following Article, a copy of the Company's accounts (together with a copy of the Directors' and Auditors' reports on those accounts) which are to be laid before the Company in general meeting shall be sent to every person to whom the Company is by law required to send them not less than twenty-one days before the date of the meeting. However, this Article shall not require a copy of those accounts to be sent to any person who under the provisions of these Articles is not entitled to receive notices from the Company or of whose address the Company is unaware or to more than one of the joint holders of shares or debentures.

Summary financial statements

155. Subject to the provisions of the Statutes and any regulations made under the Statutes, the Company may send a summary financial statement to Members instead of or in addition to copies of its full accounts and reports.

CAPITALISATION OF PROFITS AND RESERVES

Power to capitalise reserves and funds

156. The Company in general meeting may, on the recommendation of the Board, pass an ordinary resolution to the effect that it is desirable to capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, whether or not it is available for distribution, and accordingly that such sum be set free for

distribution among the Members who would have been entitled to it if it were distributed by way of dividend (and in the same proportions) on condition that it be applied either in or towards paying up any amounts for the time being unpaid on any shares in the Company held by such Members respectively, or in paying up in full unissued ordinary shares, (subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class), debentures or other obligations of the Company to be allotted and distributed credited as fully paid up to such Members in such proportions, or partly in the one way and partly in the other, and the Board shall give effect to such resolution.

Authority to effect capitalisations

157. Whenever a resolution shall have been passed under the preceding Article, the Board shall make all appropriations and applications of the sum resolved to be capitalised, and all allotments and issues of fully paid shares, debentures or other obligations of the Company (if any) and generally shall do all acts and things required to give effect to it. The Board may also authorise any person to enter, on behalf of all the Members entitled to them, into any agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other obligations of the Company to which they may be entitled on such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all such Members. Any proceeds of sale of shares, debentures or other obligations of the Company arising under this Article shall, until distributed, be available to the Company for its own use free of interest and without any liability to account for any profit arising.

Settlement of difficulties in distribution

158. Where any difficulty arises in regard to any distribution of any capitalised reserve or fund the Board may settle the matter as it thinks expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportions or may ignore fractions altogether and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board.

AUDITORS

Auditors

159. Auditors shall be appointed and their duties regulated in accordance with the Statutes.

Validity of Auditors' acts

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

Auditors' right to attend general meetings

161. Auditors shall be entitled to attend any general meeting of the Company and to receive all notices of and other communications relating to any general meeting of the Company which any Member is entitled to receive and to be heard at any general meeting of the Company on any part of the business of the meeting which concerns them as Auditors.

SERVICE OF NOTICES AND OTHER DOCUMENTS

Method of service

162. Any notice or other document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a pre-paid cover addressed to the Member at his registered address or, (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for service of notices, or by leaving it at that address addressed to the Member or by any other means authorised in writing by the Member concerned. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. For such purpose joint holders having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

Record date for service

163. 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 fifteen days before the date of posting (where the notice or other document is posted) or otherwise not more than fifteen days before the date of service. No change in the Register after that time shall invalidate that service or delivery. 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.

Members resident abroad

164. Any Member whose registered address is not within the United Kingdom or the Republic of Ireland and who gives to the Company an address within the United Kingdom at which notices may be served on him shall be entitled to have notices served on him at that address but, unless he does so, shall not be entitled to receive any notice from the Company.

When notice deemed served

165. Any notice from or on behalf of the Company, if served by first class post, shall be deemed to have been served on the day following the day on which it was posted and if served by second class post, shall be deemed to have been served two days after the day on which it was posted and in proving such service it shall be sufficient to prove that the notice was properly addressed, stamped and posted. Any notice or other document from or on behalf of the Company not sent by post but left at a registered address shall be deemed to have been served or delivered on the day it was left.

Service of notice on person entitled by transmission

166. Where a person is entitled by transmission to a share, any notice or other document shall be served on or delivered to him as if he were the holder of that share and his address noted in the Register as if it were his registered address. Otherwise, any notice or other document served on or delivered to any Member pursuant to these Articles shall, notwithstanding that the Member is then dead or bankrupt or that any other event giving rise to the transmission of the share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly served or delivered in respect of any share registered in the name of that Member as sole or joint holder.

Notice when post not available

167. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least two daily newspapers with a national circulation and in that event the notice shall be deemed to have been served on all Members and persons entitled by transmission, who are entitled to have notice of the meeting served on them, on the day when the advertisement has appeared in at least two such newspapers. If at least six clear days prior to the meeting the posting of notices to addresses throughout the United Kingdom has again become practicable, the Company shall send confirmatory copies of the notice by post to the persons entitled to receive them.

Statutory requirements

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

UNTRACED SHAREHOLDERS

Power to stop sending notices to untraced shareholders

169. If on two consecutive occasions notices have been sent through the post to any Member at his registered address or his address for the service of notices but have been returned undelivered, such Member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Office a new registered address within the United Kingdom for the service of notices.

Power of sale of shares held by untraced shareholders

170. (1) The Company may sell at the best price reasonably obtainable any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of the London Stock Exchange to sell them if:
- (a) the shares have been in issue through the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;
 - (b) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares at any time during the relevant period;
 - (c) so far as the Secretary at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares;
 - (d) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the last known address of the holder of, or person entitled by transmission to, the shares shown in the Register or in the area of the last known address at which service of notices may be effected in the manner authorised by these Articles, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the later of the two advertisements to be published if they are published on different dates; and

- (e) the Company has given notice to the London Stock Exchange of its intention to make the sale.

For the purpose of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (d) above or the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (a), (b), (d) and (e) above have been satisfied.

- (2) If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub-paragraphs (1)(b) to (e) above have been satisfied in regard to the further shares, the Company may also sell the further shares.
- (3) To give effect to any sale of shares pursuant to this Article the Board may authorise some person (so far as is consistent with the facilities and requirements of the relevant system (as defined in the Regulations) concerned) to convert a share in certificated form to be sold into a share in uncertificated form or vice versa, or in relation to certificated shares to transfer the shares in question and in the case of shares in certificated form an instrument of transfer executed by that person and in relation to uncertificated shares, to make arrangements consistent with the facilities and requirements of the relevant system concerned for the transfer of such shares and any such conversion instrument of transfer or arrangement shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall except as may be provided in the Regulations his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, on their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds, which may be employed in the business of the Company or as it thinks fit.

Uncashed dividends

171. The Company may cease to send any cheque or warrant through the post or may stop the transfer of any sum by any bank or other funds transfer system, as the case may be, for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or the transfer has failed but, subject to the provisions of these Articles, shall recommence sending cheques or warrants or transferring funds, as the case may be, in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend in which event the Company shall resume payment of dividend (and arrears) as notified by the claimant or, in the absence of such notification, in the same manner in which payment was effected prior to the suspension of the payment of dividend.

WINDING UP

Directors' power to petition

172. The Directors shall have power in the name and on behalf of the Company to present a petition

to the Court for the Company to be wound up.

Distribution of assets in proportion to amounts paid up on capital

173. If the Company shall be wound up then, subject to the rights attached to any shares issued on special conditions, the assets of the Company available for distribution among the Members shall be divided among the holders of the shares in proportion to the amounts of the capital paid up on them.

Distribution of assets otherwise than in cash

174. If the Company shall be wound up the liquidator (whether the liquidation is voluntary, under supervision, or by the Court) may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Statutes, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair on any property to be divided and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the same sanction, vest the whole or any part of such assets in trustees on such trusts for the benefit of the contributories as the liquidator, with the same sanction, shall think fit, and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any shares or other securities on which there is any liability.

DESTRUCTION OF DOCUMENTS

Destruction of Documents

175. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration of such transfer and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording of such mandate or notification and all share certificates which have been cancelled at any time after the expiration of one year from the date of their cancellation and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars of such documents in the books or records of the Company. Provided always that:
- (a) the above provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to such claim) to which the document might be relevant;
 - (b) nothing contained in this Article 175 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
 - (c) references in this Article 175 to the destruction of any document include references to the disposal of such document in any manner.

INDEMNITY

Indemnity

176. (1) Subject to the provisions of the Statutes, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company and the Auditors shall be indemnified out of the assets of the Company against any liability incurred by him as a Director or other officer of the Company, or as Auditor 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 connection with or in relation to his powers, duties or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings (whether civil or criminal) in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under the Statutes in which relief is granted to him by the court.
- (2) Without prejudice to the above paragraph the Board shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of any Relevant Company (as defined below) or who are or were at any time trustees of any pension fund or employee's share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution 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 Relevant Company, or any such pension fund or employees' share scheme.
- (3) For the purpose of this Article, "Relevant Company" shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of 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 of the Company or of such other body.