THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION OF FURLONG LIMITED

COMPANY NO: 3621868

At an Extraordinary General Meeting of the above Company, duly convened and held at [ 70 New Cavendish Street London W1 ] on [ Thursday ] [ 4th March ] 1999 the following Resolution was passed as a Special Resolution.

SPECIAL RESOLUTION

That the Articles of Association of the Company be amended so that Regulations contained in the document appended to this Resolution and initialled by the Chairman for the purposes of identification be adopted as the Articles of Association of the Company in substitution for and the exclusion of the existing Articles of Association.

Date: [ 4th March ] 1999

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CHAIRMAN

2203.2 SPECIAL RESOLUTION

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COMPANIES HOUSE 03/4/99
A36 *AZSOIEEZ* 628
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# THE COMPANIES ACT 1985 TO 1989

# PRIVATE COMPANY LIMITED BY SHARES

# ARTICLES OF ASSOCIATION

# OF

# FURLONG LIMITED

**Adopted by Special Resolution on 4 March 1999**

## TABLE A

1. The regulations in Table A as prescribed by the Secretary of State under the power given to him in Section 8 of the Companies Act 1985 shall not apply to the Company.

## INTERPRETATION

2. In these Articles if not inconsistent with the subject or the context, the words standing in the first column of the following Table shall have the meanings set opposite them respectively in the second column thereof.

| | |
|---|---|
| The Act: | The Companies Acts 1985-1989 |
| These Articles: | These Articles of Association as from time to time altered in manner required by law |
| The Company: | Furlong Limited |
| The Board: | The Board of Directors of the Company or the directors present at a duly convened meeting of directors at which a quorum is present |
| Office: | The registered office of the Company |
| The Holder: | In relation to shares means the person whose name is entered in the register of members as the holder of any shares |
| The Secretary: | The Secretary of the Company or any other person appropriate to perform the duties of the Secretary of the Company including a joint assistant or deputy secretary |
| Month: | Calendar Month |

| | |
|---|---|
| The Register: | The Register of Members of the Company |
| In Writing: | Written or produced by any substitute for writing or partly so written or partly so produced |
| Paid up: | Paid up or credited as paid up |

The expression "Share" and "Share holder" shall, unless inconsistent with the context in which those words appear include "Stock" and "Stock holder".

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

Words importing the masculine gender shall include the feminine. Words importing individuals shall, unless the context does not so admit, include corporations.

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

Subject as aforesaid 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

3. The share capital of the Company shall be that amount referred to in paragraph 5 of the Memorandum of Association.

4. Without prejudice to any special rights previously conferred on the Holder of any shares or class of shares any shares of the Company may be issued with, or have attached thereto such preferred deferred or other special rights or such restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time in general meeting think fit or in default of and subject to any such determination, as the Board may think fit.

5. Subject to the provisions of the Act the Company may issue any shares upon the terms that they are at the option of either the Company or the Holder thereof to be redeemed upon such terms and in such manner as the Company may before the issue of such shares by special resolution determine, provided that in the case of redeemable shares issued upon the terms that the shares are to be redeemed otherwise than by way of (a) market purchase (as defined by Section 163 of the Act) of the shares by the Company or (b) tender then the terms upon which the shares are issued shall specify the maximum price

payable by the Company for the shares; and where redemption is to be by tender such tender shall be made to all the Holders of shares of the class in respect of which the tender is made at the same time and upon the same terms in respect of each such share.

6. Subject to the provisions of the Act the Company may purchase its own shares (including any redeemable shares).

7. Save as is authorised by Sections 151 to 154 of the Act the Company shall not whether directly or indirectly and whether by means of loan, guarantee, the provision of security or otherwise give any financial assistance for the purpose of or in connection with any purchase of or subscription to shares of the Company or any holding Company of it by any person.

## MODIFICATION OF RIGHTS

8. Subject to the provisions of the Act all or any of the special rights and privileges 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 altered or abrogated with the consent in writing of the Holders of not less than three fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the Holders of such scheme.

9. Where a separate general meeting is held of the Holders of any class of shares the provisions of these Articles as to general meetings of the Company shall apply mutatis mutandis but the necessary quorum shall be two persons at least holding or representing by proxy not less than one third of the issued shares of that class. Every Holder of shares of the class shall be entitled on a poll to one vote for every share held by him and if at any adjourned meeting of such Holders a quorum as above defined be not present those of such Holders who are present in person or by proxy shall be a quorum.

10. Subject as otherwise provided in these Articles, the special rights conferred upon the Holder of any shares or class of shares shall not unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be altered or abrogated by the creation or issue of further shares ranking pari passu therewith.

## SHARES

11. Subject to the provisions of these Articles the unissued shares for the time being of the Company shall be at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons (including Directors) at such times, and (subject to the provisions of the Act) for such consideration and upon such terms and conditions and in the case of unclassified shares with such rights and privileges or restrictions annexed thereto as the Board may determine.

12. In the exercise of the powers conferred upon them by Article 11 above the Directors are hereby generally authorised for the purpose of Section 80 and empowered pursuant to Section 95 of the Act (in each case unconditionally) to exercise all powers of the Company to allot relevant securities (as defined in Section 80 of the Act) and to allot any of such securities as are Equity Securities (as defined in Section 94 of the Act) as if Section 89 of the Act did not apply to any allotment. Provided that:

(a) the maximum total amount of relevant securities which may be allotted pursuant to the authority shall not exceed the nominal value for the time being of the unissued share capital of the Company;

(b) the authority and power conferred by the Article shall remain in operation for a period of 5 years from the date of the adoption of these Articles and thereafter for such extension of that period as the Company may resolve.

(c) All Shares which are not comprised in the authorised share capital with which the Company is incorporated and which the Board propose to issue shall first be offered to the Holders in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company in general meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of Shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the Holders who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any Share not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the Board, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such a manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such Shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Holders. The foregoing provisions of this paragraph (b) shall have effect subject to Section 80 of the Act.

13. The Company may exercise the powers of paying commissions conferred by the Act provided that the rate or amount of the commissions paid or agreed to be paid and the number of shares which persons have agreed for a commission to subscribe absolutely shall be disclosed in the manner required by the said section and that such commission shall not exceed 10 per cent of the price at which the shares in respect of which the commission is paid are issued. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in another.

14. The Company may, on any issue of shares, pay such brokerage as may be lawful.

## SHARE CERTIFICATES

15. Unless the conditions of issue otherwise provide any person who becomes the Holder of any shares shall be entitled without payment to receive within two months after allotment or lodgement of transfer one certificate for all his shares of any one class or several certificates each for one or more of his shares upon payment of such reasonable sum as the Board may require for every certificate after the first as the Board shall from time to time determine.

16. Every certificate shall be issued in accordance with these Articles and shall specify the number class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon.

17. The Company shall not be bound to issue more than one certificate for shares jointly held by several persons and delivery of a certificate to one joint Holder shall be a sufficient delivery to all of them.

18. Where the Holder of any shares has transferred part of the shares comprised in his holding he shall be entitled without payment to a certificate for that part of his shareholding which is retained by him.

19. If a share certificate be defaced lost or destroyed it may be replaced upon such terms (if any) as the Board may from time to time determine as to evidence of loss or destruction and as to indemnity and payment of out of pocket expenses of the Company of investigating such evidence but otherwise without charge and in case of a defacement upon delivery of the old certificate to the Company.

20. Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares or any interest to any factional part of a share or (except as required by law or these Articles) any other right in respect of any share except an absolute right to the entirety thereof in the Holder.

## LIEN

21. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

22. The Company may sell in such manner as the Board may think fit any share 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 until the expiration of fourteen days after a notice in writing stating and demanding the sum presently payable and giving notice of the intention to sell in default of such payment has been given to the Holder for the time being in respect of the share that is the subject of the lien or to the person entitled by reason of the Holder's death or bankruptcy to the share.

23. The net proceeds of sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for any debt or liabilities not presently payable as existed upon the share prior to sale) be paid to the person entitled to the share at the time of sale.

24. To give effect to any sale under Article 22 above, the Board may authorise any person to execute an instrument of transfer of the shares sold to or in accordance with the directions of the purchaser and the purchaser shall be entitled to be registered as the Holder of the shares and shall not be concerned with the application of the proceeds of sale and his title to the shares shall not be affected by any misapplication thereof or by any irregularity or invalidity in the proceedings in reference to the sale.

## CALLS ON SHARES

25. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each Member shall (subject to the Company giving to him at least fourteen days' notice specifying when and where payment is to be made) pay the amount called on his shares. A call may be revoked or postponed as the Board may determine.

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

27. Where any shares are held jointly the joint Holders thereof shall be jointly and severally liable to pay all calls in respect thereof.

28. If a call is not paid on or before the date when payment in respect thereof becomes due the person liable to pay the sum due shall pay interest thereon from the date when payment became due until actual payment at the appropriate rate (as defined by the Act), but the Board shall be at liberty to waive payment of such interest wholly or in part.

29. Any sum which according to the terms of issue of a share comes payable either on allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which

the same becomes payable under the terms of issue and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

30. The Board may make arrangements on the issue of shares for a difference to be made between the Holders in the amount of calls to be paid and in the time of payment.

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 upon any shares held by him and pay upon all or any of the money so advanced until the date when such payment would otherwise become due interest at such rate not exceeding the appropriate rate (as defined by the Act) as may be agreed between the Board and the member (subject to any direction to the contrary by the Company in General Meeting). Payment in advance of any call on any share shall not entitle the member making such payment to participate in any dividend in respect of any share in respect of which such payment is made and declared before the payment would otherwise have become due.

## FORFEITURE OF SHARES

32. If a member fails to pay any call or instalment of a call on the day appointed for the payment thereof, the Board at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued.

33. A notice given under Article 32 above shall name a day (the payment date) not less than fourteen days after the date when the notice was served on or before which the payment which is required to be paid and shall state that in the event of non-payment on or before the payment date (or otherwise in accordance with the notice) of the sum in respect of which the notice was issued the share in respect of which the call was made or the instalment is payable shall be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references herein to forfeiture shall include surrender.

34. If the requirements of any notice served under Article 32 are not complied with any share in respect of which the notice was given may, before payment of the sums required to be paid by the terms of the notice, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

35. When any share has been forfeited under Article 34 above, notice of the forfeiture shall forthwith be given to the Holder of the share forfeited or the person entitled to the share by virtue of the death or bankruptcy of the Holder (or as the case may be) but no neglect or omission to give such notice shall invalidate the forfeiture.

36. A forfeited share shall be deemed to be the property of the Company and (subject to the provisions of the Act) may be sold, re-allotted or otherwise disposed of to such person (including the person who was the Holder of the share immediately prior to the forfeiture, or the person who was entitled thereto by reason of the death or bankruptcy of the Holder or as the case may be) as the Board may think fit and the Board may, at any time before any sale re-allotment or disposal as aforesaid cancel the forfeiture upon such terms as it may think fit.

37. Any person whose share or shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall remain liable to pay to the Company all moneys which at the date of the forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at the rate at which interest was payable on those moneys before forfeiture or, if no interest was so payable then at the appropriate rate as defined in the Act.

38. A statutory declaration that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited in accordance with these Articles and stating the date of such forfeiture shall be evidence of the facts stated therein as against all persons claiming to be entitled to the share.

39. Upon the sale, re-allotment or other disposal of the Company of a forfeited share in accordance with Article 36 the Company may receive the consideration (if any) given by the person in whose favour such share is sold, re-allotted or otherwise disposed of and that person shall thereupon be registered as the Holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity or other neglect or omission in reference to the forfeiture, sale, re-allotment or disposal of the share.

## TRANSFER OF SHARES

40. Subject to such of the restrictions of these Articles as may be applicable any Member may transfer all or any of his shares by transfer in writing in the usual common form or in any other form which the Board may approve. Transfers and other documents will be registered without the payment of any fee.

40 (A) (1) Subject to such of the restrictions of these Articles as may be applicable, if a shareholder also being an employee (the "Transferor") of the Company shall leave the employment of the Company at any time and for whatever reason he shall be bound forthwith to give to the Company a notice in writing (a "Transfer Notice") in respect of all the shares registered in his name ("the Sale Shares"). In default of such Transfer Notice being given within one month of the termination of employment, the Transferor shall be deemed to have given such notice at the expiration of the said period of one month.

(2) The Transferor will be deemed to leave the employment of the Company as a "Bad Leaver" where the Company has terminated or would have been entitled to terminate the Transferor's employment by virtue of: (a) a serious breach of obligations under the Transferor's contract of employment; or (b) any act of gross misconduct or gross incompetence; or (c) any other repudiatory breach committed by the Transferor.

(3) The Transferor will be deemed to leave the employment of the Company as a "Good Leaver" where the reason for termination does not fall within the provisions of sub-regulation (2).

(4) If the Transferor shall leave the employment of the Company as a Bad Leaver the Sale Shares held by him and which are the subject of a Transfer Notice under the terms of this Article shall be valued at par.

(5) If the Transferor shall leave the Company as a Good Leaver the Sale Shares held by him and which are the subject of a Transfer Notice under the terms of this Article shall be valued on the basis of market value. Market value shall be determined on the following assumptions and bases:

(i) valuing the Sale Shares on an arm's length sale between a willing seller and a willing buyer;
(ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
(iii) that the Sale Shares are capable of being transferred without restriction;
(iv) valuing the Sale Shares as a rateable proportion of the total value of all the issued shares of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent

Market value shall be agreed between the Transferor and the Company within 14 days of the notice given under sub-regulation (1).

(6) If the Transferor shall leave the Company as a Good Leaver and the Transferor and the Company do not agree a price within 14 days of the notice given under sub-regulation (1) the price for the Sale Shares shall be determined by the auditors for the time being of the Company acting as experts and not as arbitrators and whose decision (including that as to costs) shall be final and binding.

(7) Within seven days after the price has been agreed or determined as aforesaid, the Sale Shares shall be offered for purchase by the Company to each Member in writing (other than to the Transferor) in proportion to the number of shares of that class held by them (the "Offer Notice"). The Offer Notice shall specify: the total number of Sale Shares; the number of Sale Shares offered to the member; the price per share and state a date, between seven and fourteen days later (the "Offer Period"), on which the sale and purchase of the Sale Shares is to be completed ("the Completion Date").

(8) Upon the expiry of the Offer Period, the shares shall be allocated in the following manner:

(a) to each member who has agreed to purchase shares, his entitlement or such lesser number of Sale Shares for which he may have applied;

(b) if any member has applied for less than his entitlement the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Sale Shares than the maximum applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any member whose application has already been satisfied in full.

(9) If the Company receives acceptances in respect of all of the Sale Shares the Company shall forthwith give notice in writing to the Transferor and to the members who have agreed to purchase the same. Every such notice shall state the name and address of each transferee, the number of Sale Shares agreed to be purchased by him and the place and time for completion of the purchase.

(10) By the Completion Date the Transferor shall deliver the stock transfer forms for the Sale Shares, with the relevant share certificates, to the Company. On the Completion Date the Company shall pay the Transferor, on behalf of the transferees, the agreed or determined price for the Sale Shares to the extent the transferees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the transferees.

(11) If the Transferor fails to deliver stock transfer forms for Sale Shares to the Company by the Completion Date, the directors may authorise any director to transfer the Sale Shares on the Transferor's behalf to each transferee to the extent the

transferee has, by the Completion Date, put the Company in funds to pay the agreed or determined price for the Sale Shares offered to him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Transferor shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the agreed or determined price for the Sale Shares.

(12) If the directors shall receive acceptances in respect of none or part only of the Sale Shares within the period of the Offer Notice they shall forthwith give notice in writing of that fact to the Transferor, and the Transferor may within a period of 3 months after the date of the directors said notice transfer all or any of those Sale Shares which have not been accepted as aforesaid to any person or persons including any member and the directors shall authorise the registration of any such transfer once the appropriate stamp duty has been paid.

41. The instrument of Transfer of a share shall be signed by or on behalf of the transferor and unless the share is fully paid by or on behalf of the transferee. 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 thereof. All instruments of Transfer when registered may be retained by the Company.

42. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

43. The Board may in its absolute discretion and without giving any reason therefor decline to register any transfer of any shares not being fully paid shares or being shares upon which the Company has a lien to any person of whom it shall not approve. The Board shall notify the transferee of any refusal under this Article or under Article 44 below within the two months of the date when the transfer was lodged with the Company.

44. The Board may decline to recognise any instrument of transfer unless:

(a) the instrument of transfer duly stamped is lodged with the Company together with the certificate of the share to which it relates and such other evidence of the transferor's right to make the transfer as the Board may reasonably require; and

(b) the instrument of transfer is in respect of any one class of share.

45. The Register may be closed at such times and/or such periods not exceeding in total thirty days in any calendar year provided that the Board shall give the notice required by Section 358 of the Act.

**TRANSMISSION OF SHARES**

46. In case of the death of a Member the survivor or survivors (where the deceased was a joint Holder) or (if he was a sole Holder) the personal representatives of the deceased shall be the only persons recognised by the Company as having any title to his shares but nothing herein contained shall release the estate of a deceased joint member from any liability in respect of any share held by him jointly with other persons.

47. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or in consequence of Member become a patient within the meaning of Part VII of the Mental Health Act 1983 may upon such evidence as to his title being produced as may from time to time be required by the Board and subject as hereinafter provided elect either to be registered himself as Holder of the share or to have some person nominated by him so registered.

48. If a person so becoming entitled shall elect to be registered himself he shall deliver or send to the Company written notice signed by him of such election. If he elects that another person shall be registered he shall testify such election by executing a transfer of the share in favour of that other person. All the provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply as if the death or bankruptcy of the Member had not occurred or as if the Mental Health Act 1983 did not apply and the notice or transfer were a transfer executed by the Member.

49. A person entitled to a share by reason of the circumstances mentioned in Article 47 above shall be entitled to the same dividends and other advantages to which he would be entitled if he were the Holder of the share except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company provided always that the Board may at any time give notice requiring such election or transfer as is described in Article 48 above. If such notice is not complied with within ninety days from the date thereof the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice are complied with.

## STOCK

50. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may reconvert any stock into paid up shares of any denomination.

51. The Holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as the subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit. The Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of the fractions of such minimum, but the minimum shall not exceed the nominal amount of the share from which the stock arose.

52. The Holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose but no such right, privilege or advantage (except participation in the dividends and in assets on a winding up) shall be conferred by an amount of stock which would not have been conferred by the shares from which the stock arose.

## ALTERATION OF SHARE CAPITAL

53. The Company may from time to time by ordinary resolution increase its share capital by such sum to be divided into such amounts as the resolution shall prescribe.

54. The issue of any shares created by the Company in the exercise of the power contained in Article 53 above shall be governed by the provisions of Articles 11 and 12 above which shall apply in reference to allotment or issue of such shares by the Company in general meeting as they apply to the allotment or issue of shares by the Directors.

55. The new shares shall be subject to all the provisions of these Articles with reference to the payment of calls, lien, transfer, transmission, forfeiture or otherwise.

56. The Company may by ordinary resolution:

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

    (b) subject to the provisions of the Act, sub-divide its shares or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the subdivision, any of them may have any preference or advantage as compared with the others or any other rights that the Company has power to attach to any unissued shares;

    (c) subject to the provisions of the Act and to the terms of issue of any shares, divide the shares (whether part of the original or increased capital of the Company) into several classes and attach thereto any preferred, deferred or other special rights, privileges or conditions as regards dividends, repayment of capital, voting or otherwise;

    (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.

57. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may on behalf of those members sell the shares representing the fractions for the best price reasonably

obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among these members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with, the discretion of the purchaser. The transferee shall not be concerned to see the application of the purchase money and neither shall his title to the shares be affected by any irregularity in or invalidity of the proceeding in reference to the sale.

58. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

## GENERAL MEETINGS

59. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and the next. The Annual General Meeting shall be at such time and place as the Board shall appoint.

60. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

61. The Board may whenever it thinks fit convene an Extraordinary General Meeting and such meeting shall also be convened on such requisition, or, in default may be convened by such requisitionists, as is provided by Section 368 of the Act.

62. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum any director or two members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

## NOTICE OF GENERAL MEETINGS

63. An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty one clear days' notice in writing and any other general meeting shall be called by not less than fourteen clear days' notice in writing. The notice shall specify the time and place of the meeting and in the case of special business (as defined in Article 67 below), the general nature of that business. A notice convening an annual general meeting shall specify that the meeting is an annual general meeting and a notice convening a meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution as the case may be. Notice of every general meeting shall be given in the manner hereinafter mentioned to such persons as are, in accordance with the provisions of these Articles entitled to receive such notices from the Company, to the Directors and to the Auditors for the time being of the Company.

64. A meeting shall be deemed to have been duly called notwithstanding that it is called by shorter notice than is specified in Article 63 above if it is so agreed:

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

(b) in the case of any other meeting by a majority in number of the members having the right to attend and vote thereat being a majority together holding not less than 95 per cent in nominal value of the shares given that right.

65. In every notice calling a meeting there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.

66. 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 such notice or instrument of proxy by any person entitled to receive such notice or instrument shall not invalidate that meeting or any of the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

67. 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 the declaration and sanctioning of dividends, the consideration of the accounts and balance sheet and reports of the Directors and Auditors, the election of Directors and Auditors and other officers in place of those retiring by rotation or otherwise, and the fixing of the remuneration of the Auditors.

68. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Save as otherwise provided by these Articles two members present in person and entitled to vote shall be a quorum for all purposes. A corporation being a member shall be deemed for the purpose of this Article to be personally present if present by proxy or in accordance with the provisions of Section 375 of the Act.

69. If within fifteen minutes of the time appointed for the meeting a quorum be not present, the meeting if convened on the requisition of or by 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 other time or place as the Board may determine and the provisions of Article 72 shall apply. If at such adjourned meeting a quorum as above defined be not present within fifteen minutes from the time appointed for holding the meeting the members present shall be a quorum.

70. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

71. The Chairman (if any) of the Board, or in his absence the deputy Chairman (if any) shall preside as Chairman at every general meeting of the Company. If there be no such Chairman or deputy-Chairman be present within fifteen minutes after the time appointed for holding the meeting or if neither of them be willing to act as Chairman, the Directors present shall choose one of their number to act or if one Director only be present he shall preside as Chairman if willing to do so. If no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one of their number to be Chairman.

72. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have bee transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, at least seven days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

73. (1) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands) a poll be demanded:

(a) by the Chairman; or

(b) by at least one Member present in person or by proxy and entitled to vote; or

(c) by any Member or Members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

(d) by any member or members holding shares conferring a right to 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 shares conferring that right; or

(e) a demand by a person as proxy for a member shall be the same as a demand by the member.

(2) Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or not carried by a particular majority or lost and an

entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.

74. If any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting and not, in that case, unless in the opinion of the Chairman the error is of sufficient magnitude to vitiate the resolution.

75. If a poll be duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Subject to these Articles, a poll shall be taken as the Chairman directs.

76. 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 at such time (not being more than thirty days after the date of the meeting) and place as the Chairman directs.

77. 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 has been demanded.

78. A demand for a poll may be withdrawn at any time before the poll is taken, but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

79. (1) If a demand for a poll is withdrawn after this dissolution of the meeting at which it was made then written notice of that withdrawal shall forthwith be given by the Company to all persons who would have been entitled to vote in the poll in respect of which the demand for a poll has been withdrawn and the poll shall be postponed for such period, not exceeding 21 days as the Board may determine;

(2) Where a poll has been withdrawn any other person who could, when the poll was first demanded, have demanded the poll may demand a poll;

(3) Where a notice has been served in accordance with the provisions of sub-article (1) above and a person wishes to demand a poll in the exercise of the right conferred by sub-article (2) above, then that person shall serve written notice of such demand upon the Company within seven days of service upon him of the notice served pursuant to sub-article (1) above.

80. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it 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.

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

## VOTES OF MEMBERS

82. Subject to any special terms as to voting upon which any share may be issued or may for the time being be held, on a show of hands every Member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under Section 375 of the Act not being himself a Member, and entitled to vote shall have one vote for every Ordinary Share of which he is the Holder upon a poll every member present in person or by proxy and entitled to vote shall have one vote for every Ordinary Share of which he is the Holder.

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

84. In accordance with Section 375 of the Act a corporation being a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual Member of the Company.

85. A Member of unsound mind or in respect of whom an order has been made by a Court having jurisdiction for the protection of person incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of committee, receiver or curator bonis appointed by such Court and such committee, curator bonis, receiver or other person may vote on a poll by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right of vote is to be exercised and in default the right to vote shall not be exercisable.

86. No Member shall be entitled to attend or vote at any general meeting or at any separate meeting of the Holders of any class of shares in the Company unless all calls or other sums presently payable by him in respect of shares in the Company held by him have been paid.

87. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

88. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. Any member may appoint more than one proxy to attend on the same occasion.

89. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow)

I/WE, of, being a member/members of the above-named Company, hereby appoint of, or failing him, of, as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the Company to be held on 19 , and at any adjournment thereof
Signed on 19 .

90. Where it is desired to afford Members the opportunity of instructing their proxies to vote for or against the resolutions to be submitted to the meeting, the instrument of proxy shall be in the following form (or in a form as near thereto as circumstances allow):

I/WE of being a Member/Members of the above-named Company, hereby appoint of or failing him/her or my/our proxy to vote for me/us on my/our behalf at the annual/extraordinary general meeting of the Company to be held on the day of 19 and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 *for *against
Resolution No. 2 *for *against
*Strike out whatever is not desired.

NOTE - Unless otherwise directed, the proxy may vote as he thinks fit in respect of the member's total holding or abstain from voting.

Signed on the day of 19

91. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power of authority) shall be deposited at the office (or at such other place in the United Kingdom as may be specified) 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 in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution.

92. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, or the transfer of the share in respect of which the instrument of proxy was given, provided that no intimation in writing of death insanity revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting, or the taking of the poll at which the instrument is used.

## NUMBER OF DIRECTORS

93. Unless and until otherwise determined by Ordinary Resolution in General Meeting of the Company the Directors (other than alternate directors) shall not be subject to any maximum but shall be not less than one. Whensoever the minimum number of Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by these Articles expressed to be expressed in Directors generally.

## ALTERNATE DIRECTORS

94. Each Director shall have the power to nominate either (1) any other Director, or (2) any person approved for that purpose by the other Directors, to act as his alternate director during his absence, and at his discretion to remove such alternate director, and on such appointment being made the alternate director shall, except as regards remuneration and the power to appoint an alternate, be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company, and each alternate Director, which so acting, shall exercise and discharge all the functions, powers and duties of the Director whom he represents. Any Director acting as an alternate shall have an additional vote for each director for whom he acts as alternate.

95. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, but if any Director retires whether by rotation or otherwise be is re-appointed, or is deemed to have been re-appointed by the meeting at which such retirement took effect, any appointment made by him pursuant this Article which was in force immediately prior to his retirement shall continue to operate after his re-appointment as if he had not so retired.

96. All appointments and removals of an alternate Director shall be effected by instrument in writing delivered at the Office and signed by the appointor. Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

## DIRECTORS' REMUNERATION AND EXPENSES

97. The Directors shall be entitled to be paid out of the funds of the Company as remuneration for their services such sums as the Company in General Meeting may from time to time determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

98. (1) The Directors may be paid their travelling, hotel and incidental expenses of attending and returning from meeting of the Board or Committees of the Board or general meetings of the Company or separate meetings of the Holders of any class of shares or of debentures of the Company or otherwise incurred while engaged on the business of the Company.

(2) Any Director who by request performs special services or goes or resides abroad for any purpose of the Company may be paid such extra remuneration as the Board may determine.

## DIRECTORS' INTERESTS AND APPOINTMENTS

99. Provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director may, notwithstanding his office, be or become a Director or other officer or otherwise interested in or employed by any Company promoted by the Company or in which the Company may be interested and no such Director shall be accountable for any remuneration or other benefits received by him as a Director of officer or from his interest in such company. The Board may also exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as it thinks fit including the exercise thereof in favour of any resolution appointing the members of the Board or any of them to be directors or officers of such other company, or voting or providing of the payment of remuneration to the Directors or officers of such other company. Any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or be about to become a director or officer of such other company and as such, or in any other manner, is or may be interested in the exercise of such voting rights in manner aforesaid.

100. (1) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with the office of Director upon such terms as the Board may determine, and may receive such remuneration therefor as the Board may think fit in addition to any other remuneration under these Articles. Subject to paragraph (2) of this Article and to the provisions of the Act no Director or intending Director shall be disqualified by his office from contracting with the company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or in any other manner whatsoever, 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 realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

(2) A Director who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists or in any other case at the first meeting of the Board after he becomes so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in all transactions with such company or firm shall be sufficient declaration of interest under this Article provided that either the notice is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given. After such general notice has been given it shall not be necessary for the Director giving the same to give any further notice relating to any subsequent transaction with such company or firm provided that a director interested in any contract with the Company or any arrangement to which the Company is a party shall give notice to the Board of such matters in relation to his interest as are required to be stated in the Director's report pursuant to Part I of Schedule 7 of the Act.

101. A Director shall not vote (nor shall he be counted in the quorum) in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall not be counted but this prohibition shall not apply to any contract or arrangement:

(i) for giving to a Director any security or indemnity in respect of money lent by him to, or obligations undertaken by him for the benefit of the Company or any Subsidiary of the Company; or

(ii) for giving by the Company or any subsidiary of the Company of any security to a third party in respect of a debt or obligation of the Company or any subsidiary of the Company which the Director has himself guaranteed or secured in whole or in part;

(iii) by a Director to subscribe or underwrite shares or debentures of the Company or any subsidiary of the Company;

(iv) with a corporation in which he is interested only by reason of being a Director, officer or creditor of such corporation.

Such prohibition may at any time be suspended or released to any extent, and either generally or in respect of a particular contract or arrangement by the Company in General Meeting.

102. Any Director may act by himself or his firm (if any) in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

## DISQUALIFICATION AND REMOVAL OF DIRECTORS

103. Without prejudice to the provisions for retirement by rotation or otherwise hereinafter contained, the office of a Director shall be vacated in any of the following events, namely:

(a) if he resigns his office by notice in writing signed by him and delivered at the Office;

(b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

(c) if, without leave, he is absent, otherwise than on the business of the Company, from the meetings of the Board for six consecutive months and the Board resolves that his office be vacated;

(d) if he is or may be suffering from mental disorder and either is admitted to hospital pursuant to an application for admission for treatment under the Mental Health Act 1983 or an order is made in respect of his property under Part VII of that Act;

(e) if he becomes prohibited from being a Director by reason of any other statute;

(f) if he is removed from office pursuant to Section 303 of the Act.

## REMOVAL OF DIRECTOR

103. (A) The holders of a majority of the shares giving the right to vote at general meetings may at any time and from time to time by serving notice on the Company remove any director from office and appoint any person to be a director. A removal or appointment takes effect when the notice is received by the Company or on a later date specified in the notice.

## POWERS OF DIRECTORS

104. Subject to the provisions of the Act, the memorandum and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or of these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the Directors.

105. The Directors may by power of attorney or otherwise appoint any person, or firm, or company, or fluctuating body of persons to be the attorney or attorneys of the Company for such purposes and with such powers authorities and discretions (not exceeding those exercisable by the Board under this Article) and for such period and subject to such conditions as it may think fit. Any such power of attorney may contain such provision 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 sub-delegate all or any of the powers authorities and discretion vested in him.

## DELEGATION OF DIRECTORS POWERS

106. 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, and 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 member of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon 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 such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

## EXECUTIVE DIRECTORS

107. The Board may from time to time appoint one or more of its members to the executive offices of Chairman or Deputy Chairman and may also appoint one or more of its members to the office of Managing Director or Assistant Managing Director or to any other executive office for such period and upon such terms as it thinks fit, and subject to the provisions of any agreement entered into in any particular case may revoke such appointment and the appointment of any Director to any such office shall be subject to termination if he ceases from any cause to be a Director but without prejudice to any claim for breach of any contract of service between him and the Company.

108. The Chairman or Deputy-Chairman or a Managing Director or Assistant Director or other Executive Director shall receive such remuneration (whether by way of salary, commission or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

109. The Board may delegate to the Chairman or Deputy Chairman or Managing Director or Assistant Managing Director or other executive director any of the powers exercisable by it upon such terms and with such restrictions as it thinks fit, and either collaterally with or to the exclusion of its own powers, and may from time to time (subject to the terms of any agreement entered into in any particular case) revoke, withdraw alter or vary any or all of such powers.

## PENSIONS AND ALLOWANCES

110. The Board may grant retirement pensions or annuities or other allowances on death to any person or to the widow or dependants of any person in respect of services rendered by him to the Company as Chairman, Deputy Chairman, Managing Director, Assistant Managing Director, or in any other executive office or employment under the Company indirectly as an executive officer or employee of the Company or of its holding Company (if any), notwithstanding that he may be or have been a Director of the Company and may make payments towards insurances or trusts for such purpose in respect of such persons and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person.

## APPOINTMENT OF DIRECTORS

111. Provided that the number of Directors do not exceed any number determined by Ordinary Resolution in General Meeting as provided by Clause 93, the Directors may appoint any person so willing to act as a Director of the Company and a single resolution may appoint more than one such Director.

112. No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless not less than seven and not more than twenty one days before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some Member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed, of his willingness to be elected.

113. Without prejudice to the power of the Company in General Meeting in pursuance of the provisions of any of these Articles to appoint any person to be a director, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill casual vacancy or as an addition to the existing Board, and any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

114. The Company may by extraordinary resolution or (subject) to the provisions of Sections 303 and 304 of the Act by ordinary resolution remove any Director

before the expiration of his period of office and notwithstanding any term of any agreement between him and the Company and may (subject to Article 112 or to the said statutory provisions as the case may be) appoint another person in his stead.

## PROCEEDINGS OF THE BOARD

115. The Board may meet together for the dispatch 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. In the case of equality of votes, the Chairman shall have a second or casting vote. A Director may and the Secretary on the requisition of a director shall at any time summon a Board meeting. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom.

116. The quorum necessary for the transaction of business of the Board may be fixed by the Board and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

117. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number be reduced to below the minimum number fixed by these Articles the continuing Director may act of the purposes of filling any such vacancies or of summoning general meetings of the Company but not for any other purpose and may act for these purposes notwithstanding the provisions of Article 116.

118. The Board may elect a Chairman and one or more Deputy Chairmen of their meetings and determine the period for which they are respectively to hold office. If no such Chairman or Deputy Chairman are elected or if at any meeting none of them is present within fifteen minutes of the time appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting.

119. The Board may delegate all or any of its powers to committees consisting of a member or a member of its body or not as it thinks fit and any committee formed under this Article shall, in the exercise of the powers delegated to it, conform to any regulations which the Board may impose upon it.

120. The meetings of any committee set up under Article 119 shall be governed by the provisions of these Articles for regulating the meeting of the Board in so far as the same are applicable and are not superseded by any regulation imposed by the Board under Article

121. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors or by all the members of the committee for the time being shall be as valid and effectual as a resolution passed at duly called and constituted a meeting of the Board (or a Committee thereof). Any 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.

122. All acts of the Board or any Committee thereof or of any person acting as a Director shall be valid notwithstanding it be afterward discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified from or had vacated the office of Director.

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

124. The Company may exercise the powers conferred by Section 362 of and Schedule 14 to the Act with regard to the keeping of an Overseas Branch Register and the Board may (subject to those provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such Register.

## SECRETARY

125. The Secretary shall be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board. No person shall be appointed or hold office as Secretary who is:

(a) the sole Director of the Company;

(b) a corporation the sole Director of which is the sole Director of the Company;

(c) the sole Director of a corporation which is the sole Director of the Company.

126. When any thing is required to be done (whether by these Articles, or by the Act or otherwise) by or to a Director and the Secretary, that thing shall not be done by or to the same person acting both as Director and as, or in place of, the Secretary.

## MINUTES

127. 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 present at each Board or Committee meeting;

(c) of all resolutions and proceedings at all meetings of the Company and of the Board and any Committee of the Board.

Any minute of any such meeting if signed by any person purporting to be the Chairman of such meeting, or to be the chairman of the meeting at which it is approved shall be receivable as prima facie evidence of the facts therein stated in all legal proceedings and until the contrary is proved shall be considered as a correct record of proceedings at such meetings properly held and convened.

## THE SEAL

128. If the Company has a Seal, the Board shall provide for the safe custody thereof, which shall only be used with the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the Seal shall be so affixed shall be signed by at least one Director and the Secretary or some other person duly authorised by the Board for that purpose. Provided that the Board may either generally or in any particular case or cases resolve that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person.

129. The Company may exercise the powers conferred by Section 39 of the Act with regard to having any Official Seal for use abroad, and such power shall be vested in the Board.

## DIVIDENDS

130. Subject to the provisions of the Act and subject to the term of issue of any shares the Company may be ordinary resolution declare dividends in accordance with the respective rights of the members but no dividend shall be in excess of the amount recommended by the Board.

131. Subject to the terms of issue of any shares all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof 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 pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend on or from a particular date such share shall rank for dividend accordingly.

132. Subject to the provisions of the Act and subject to the terms upon which any shares are issued, the Board may from time to time pay to the Members such interim dividends as may be justified by the profits of the Company available for distribution and the Board may also pay the fixed dividend on any preference shares of the Company half-yearly or otherwise on fixed dates whenever the profits of the Company available for distribution in the opinion of the Board justify that course.

133. If the share capital is divided into different classes the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares that confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if at the time of payment any preferential payment is in arrears.

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

135. The Board may deduct from any dividends payable to any Member any sums of money presently payable by him to the Company on account of calls.

136. No dividend shall bear interest against the Company.

137. Any dividend, interest or other sum payable to the Holder of any share or shares may be paid by cheque sent through the post addressed to the Holder at his registered address or in the case of joint Holders, addressed to the Holder whose name stands first on the Register in respect of the share or shares in question, or to such person and to such address on the Holder or joint Holders may in writing direct. Every such cheque shall be payable to the order of the Registered Holder or in the case of joint Holders of the Holder whose name appears first in the Register unless the Holder or Holders otherwise direct and every such cheque shall be sent at the Holder's or joint Holder's risk. Any two or more joint Holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by such joint Holders.

138. All dividends unclaimed for twelve months after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and all dividends unclaimed for twelve years after having been declared may be forfeited by resolution of the Board to that effect.

139. Any general meeting declaring a dividend may, upon the recommendation of the Board direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company and the Board shall give effect to such direction and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may fix the value for distribution of any such specific assets and may determine that case payments shall be made to any member upon the footing of the value so fixed in order to secure equality of distribution.

## RESERVES

140. Before recommending any dividend the Board may set aside out of the profits of the Company available for distribution such sums as it thinks proper as

reserves which shall, at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the Board's discretion either be employed in the Business of the Company or be invested in such investments (other than shares in the Company or its holding company, if any) as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to divide.

## CAPITALISATION OF PROFITS

141. The Directors may with the authority of an ordinary resolution of the Company:

(a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

(b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied by paying up unissued shares to be allotted to members credited as fully paid;

(c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation fractions; and

(d) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

## ACCOUNTS

142. The Board shall cause proper books of account to be kept in accordance with provisions of the Act

(a) of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place; and

(b) of all sales and purchases of goods by the Company; and (c) of the assets and liabilities of the Company.

143. The books of accounts shall be kept at the office and shall always be open to inspection by the Directors or any of them. No member not being a Director shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board.

## AUDIT

144. The Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.

## NOTICES

145. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

146. Any notice or other document may be served by the Company on any Member either personally or by sending through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or to such other address (if any) in the United Kingdom as the Holder or joint Holder may in writing direct. In the case of joint holders of a share, all notices may be given to that one of the joint holders who name stands first in the Register in respect of such share, and notice so given shall be sufficient notice to all the joint holders.

147. Any member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address but otherwise no such member shall be entitled to receive any notice from the Company.

148. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put into the post and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post.

149. Any notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company has notice of such death or bankruptcy, be deemed to have been duly served in respect of any shares registered in the name of such member as sole or joint Holder unless his name shall at the time of the service of the notice or document have been removed from the Register as the holder

of such shares, and such service shall for all purposes be deemed sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in such shares.

150. 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.

151. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

## WINDING UP

152. If the Company shall be wound up the Liquidator may, with the sanction of an extraordinary resolution of the contributories, divide among the contributories in specie or in kind the whole or any part of the assets of the Company and may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit.

## INDEMNITY

153. Every Director, or other officer and Auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, officer or Auditor in defending any proceedings relating to his conduct as an officer of the Company, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court.