

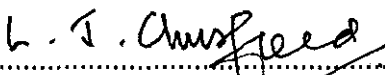
**HAMMER ENTERTAINMENT LIMITED**

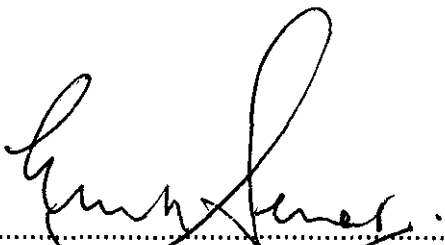
("the Company")

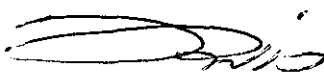
**MEMBERS' UNANIMOUS WRITTEN RESOLUTION**

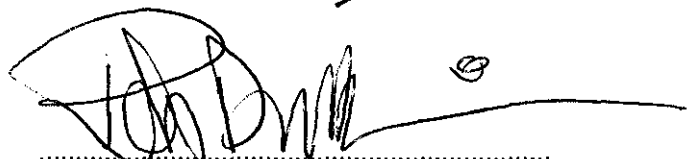
We, being all the members of the Company entitled to attend and vote at general meetings of the Company hereby unanimously agree that the following resolution be passed as a written resolution of the Company, namely:


That the Articles of Association in the form annexed to this resolution shall be adopted by the Company as its new articles of association in substitution for all other articles of association:

  
.....  
**LAWRENCE JOHN CHRISFIELD**

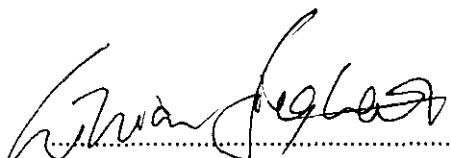
  
.....  
**ERIC H SENAT**

  
.....  
**URI DAVID**

  
.....  
**ROBERT DICKINS**

  
.....  
**NEIL MENDOZA**

  
.....  
**CHARLES SAATCHI**

  
.....  
**WILLIAM SIEGHART**

Dated 19 December 2002



**COMPANIES ACTS 1985 AND 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**- of -**

**HAMMER ENTERTAINMENT LIMITED**

(Adopted by Written Resolution passed on 19 December 2002)

**PRELIMINARY**

1.1 The regulations contained in Table "A" in the Companies (Tables A to F) Regulations 1985 made pursuant to Section 8 of the Companies Act 1985 as amended by the Companies Act 1989 (such table and Act being hereinafter referred to respectively as "Table A" and "the Act") shall apply to the Company save insofar as they are excluded or varied hereby. A reference herein to any Regulation is to that regulation as set out in Table A. In the event of any inconsistency between the said Regulations and these Articles, these Articles shall prevail.

1.2 In these Articles the following words and expressions shall have the meanings set out below:-

<b>"the Act"</b>	the Companies Act 1985 including every statutory modification or re-enactment thereof for the time being in force
<b>"the Auditors"</b>	the auditors for the time being of the Company
<b>"A Shares"</b>	A ordinary shares of £1 each in the capital of the Company having the rights set out in <b>Article 2.2</b>
<b>"B Deferred Shares"</b>	the B deferred shares of £1 each in the capital of the Company having the rights set out in <b>Article 2.3</b>
<b>"B Shares"</b>	B ordinary shares of £1 each in the capital of the Company having the rights set out in <b>Article 2.2</b>

**"the Directors"**

the directors for the time being of the Company or a quorum of such Directors present at a meeting of the directors

**"Equity Shares"**

the A Shares, the B Shares and the Ordinary Shares

**"Listing"**

a successful application being made to the Council of the London Stock Exchange plc for all of the Equity Shares to be admitted to the Official List or to be dealt in on the Alternative Investment Market

**"Majority"**

a majority by reference to the number of shares in relation to which votes are or could be cast at general meetings and not by reference to the number of members holding shares of such class or classes

**"Ordinary Shares"**

ordinary shares of £1 each in the capital of the Company having the rights set out in **Article 2.2**

**"Permitted Transfer"**

a transfer of shares authorised by **Article 7**

- 1.3 The Company is a private limited company and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

**SHARES**

- 2.1 The authorised share capital of the Company at the date of the adoption of these Articles of Association is £35,750 divided into 4,750 A Shares, 4,750 B Shares, 25,250 B Deferred Shares and 1,000 Ordinary Shares.
- 2.2 The A Shares, the B Shares and the Ordinary Shares shall entitle the holders thereof to the following rights:-
- 2.2.1 as regards dividend:

the Company shall apply any profits which the Directors resolve to distribute in any financial year in paying such profits to the holders of the A Shares, the B Shares and the Ordinary Shares pari passu and pro rata to the number of such shares held by each of them.

2.2.2 as regards capital:

on a return of assets on a liquidation, reduction of capital or otherwise, the holders of the A Shares, the B Shares and the Ordinary Shares shall be entitled pari passu (and in proportion to the number of such shares held by each of them) to be paid out of the surplus assets of the Company remaining after payment of its liabilities.

2.2.3 as regards voting in general meetings:

the holders of the A Shares, B Shares and Ordinary Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company; on a show of hands every holder of A Shares, every holder of B Shares and every holder of Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote and on a poll every holder of A Shares so present shall have one vote for each A Share held by him, every holder of B Shares so present shall have one vote for each B Share held by him and every holder of Ordinary Shares so present shall have one vote for each Ordinary Share held by him.

2.3 **The B Deferred Shares:**

2.3.1 the holders of the B Deferred Shares shall, subject to the provisions of **Article 2.3.2** have no right to receive dividends, no rights on a return of capital and no right to receive notice of, attend or vote at general meetings;

2.3.2 upon completion of the first Listing or a private investor acquiring not less than 10% of the issued Ordinary Shares ("Financing") being achieved by the Company after the date of the adoption of these Articles such number of B Deferred Shares held by William Sieghart and Neil Mendoza as shall be equal (at the price at which the Ordinary Shares are allotted pursuant to the Financing) to the lesser of:-

(a) £250,000; or

- (b) 10% of monies raised by the Company pursuant to the Financing

("the Conversion") will be converted into and redesignated as Ordinary Shares;

- 2.3.3 the number of B Deferred Shares of each holder of such shares to be converted into and redesignated as Ordinary Shares shall be pro rata to the number of such shares held by him at the date of Conversion;
- 2.3.4 the Ordinary Shares arising on Conversion shall rank pari passu in all respect with the Ordinary Shares then in issue and fully paid up and shall entitle the holders to all dividends and other distributions declared made or paid by reference to any record date after Conversion;
- 2.3.5 upon the date of Conversion the relevant holder of the B Deferred Shares shall deliver to the Company at its registered office the certificate for his B Deferred Shares and upon such delivery there shall be issued to him a certificate for the number of Ordinary Shares resulting from the conversion and redesignation;
- 2.3.6 by way of example: in a Financing which raises £1,000,000 at £5 per Ordinary Share, 20,000 "B" Deferred Shares will be converted into and redesignated as 20,000 Ordinary Shares.
- 2.4 The whole of the shares of the Company for the time being unissued shall be under the control of the Directors, who are unconditionally authorised for the purposes of Section 80 of the Act generally to exercise any power of the Company at any time during the period of 5 years from the date of adoption of these Articles of Association to allot any relevant securities (as defined by Section 80(2) of the Act) up to an amount equal to the amount of the authorised share capital of the Company as at the date of the adoption of these Articles of Association from time to time unissued.
- 2.5 The Directors shall be entitled under the general authority conferred by **Article 2.4** above to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities (as defined by Section 80(2) of the Act) of the Company to be allotted after the expiry of such authority.
- 2.6 Section 89 (1) and Section 90(1)-(6) of the Act shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) in the Company.

## **ISSUE OF SHARES**

- 3.1.1 unless otherwise agreed by members holding 75% of votes entitled to be cast at general meetings of the Company unissued shares (whether forming part of the original or any increased capital) shall, before issue, be offered on identical terms to the members in proportion as nearly as circumstances admit (fractions being disregarded) to the amount of the existing issued A Shares, B Shares and Ordinary Shares of which they are the holders;
- 3.1.2 any such offer shall be made by notice specifying the number and class of shares and the price at which the same are offered and limiting the time (being not less than fourteen days unless the member to whom the offer is to be made otherwise agrees) within which the offer, if not accepted, shall be deemed to be declined;
- 3.2 Subject as aforesaid, all unissued shares shall be at the disposal of the Directors, and they may allot, grant options over or otherwise deal with or dispose of the same to such persons, at such times, and generally upon such terms as they think fit, but so that no shares shall be issued at a discount except in accordance with the Act.
- 3.3 Subject to the provisions of Chapter VII in part V of the Act the Company may:-
  - 3.3.1 issue any shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder thereof;
  - 3.3.2 purchase its own shares (including any redeemable shares);
  - 3.3.3 make a payment in respect of the redemption or purchase under Sections 159 to 161 or (as the case may be) Section 162 of the Act of any of its shares otherwise than out of its distributable profits or the proceeds of a fresh issue of shares.

## **LIENS AND CALLS**

- 4.1 The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share 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 all distributions and other monies or property attributable to it. Regulation 8 shall be excluded.

- 4.2 The liability of any member in default in respect of a call shall include expenses. The following words shall be added at the end of the first sentence of Regulation 18 of Table A: "and all expenses that may have been incurred by the Company by reason of such non-payment".
- 4.3 In Regulation 19 of Table A there shall be substituted for the words "all dividends or other monies payable in respect of the forfeited shares" the words "all distributions and other monies or property attributable to it".

### TRANSFER OF SHARES

- 5 The Directors shall not register a transfer of shares except one permitted in accordance with the provisions of **Articles 6 or 7** below.
- 6.1 Except in the case of a Transfer made pursuant to **Article 7** below, the right to transfer shares or any interest in shares in the Company shall be subject to the following restrictions and provisions. References in **Article 6** and in **Article 7** to transferring shares shall include the creation of any interest in and the grant of contractual rights or options over or in respect of Shares.
- 6.2 The B Deferred Shares shall not be transferrable unless transferred in conjunction with a transfer of all of the B Shares held by the transferor and to the same transferee and no transfer or purported transfer of such Shares shall be registered by the Company. In relation to a sale of part only of a holding of B Shares the proportion of B Deferred Shares equal to the proportion of the B Shares being sold to the number of B Shares held by the proposed transferor prior to such sale shall be sold.
- 6.3 Any person ("**the Proposing Transferor**") proposing to transfer any Equity Shares in the capital of the Company ("**the Sale Shares**") shall be required before effecting or purporting to effect the transfer, to give a notice in writing to the Company at its registered office ("**the Transfer Notice**") that he or it desires to transfer the Sale Shares and shall state in the Transfer Notice (a) the number and class of the Sale Shares (which may be all or part only of the Shares held by the Proposing Transferor) (b) the price in cash ("**the Offer Price**") (if any) at which the Sale Shares are offered by him (c) the identity of the third party (if any) ("**the Third Party**") to whom he proposes to transfer the Sale Shares if they are not purchased by a member pursuant to the following provisions of this Article (subject to the right of the Directors to satisfy themselves that any offer from a Third Party

is for a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser) and (d) whether the Proposing Transferor wishes to sell a minimum number of Sale Shares ("**the Minimum Amount**").

6.4 The Transfer Notice shall constitute the Company as agent for the Proposing Transferor for the sale of the Sale Shares (together with all rights then attached thereto) and the Company shall within seven days of the Transfer Notice being given to the Company offer the Sale Shares in writing to the holders of same class of Equity Shares (as nearly as may be) in the proportions in which they shall then hold the Equity Shares ("**the Offer**"). The Offer shall state:-

- 6.4.1 the number of Sale Shares offered;
- 6.4.2 the price offered by the Third Party for the Sale Shares (if any) or the Offer Price (if any);
- 6.4.3 the identity of the Third Party specified in the Transfer Notice (if any) and confirmation that he will acquire the Sale Shares as beneficial owner. If the Third Party is a company details of the persons who have control (being the right to exercise more than 50% of votes in general meeting of the Third Party);
- 6.4.4 that if the Offer is not accepted within 14 days of the date of the Offer or (if relevant) within 14 days of the determination of the Fair Price in accordance with **Articles 6.5 to 6.6** (inclusive) ("**the Offer Period**") it will be deemed to be declined;
- 6.4.5 that, if there may be more than one member to whom such Offer is made and any such member desires to purchase shares in excess of his proportion, he should in his reply state how many excess shares he desires to have;
- 6.4.6 whether or not the Transfer Notice contains a Minimum Amount.

If all such members do not claim their proportions, the unclaimed Sale Shares shall be used in or towards satisfying the claims by members in excess of their pro-rata entitlements in the proportions in which such claims are made. If any Sale Shares shall not be capable without fractions, of being offered to such members in proportion to their existing holdings, the same shall (to the extent that fractions would arise) be offered to such members in



such proportions or in such manner as may be determined by lots drawn under the direction of the Directors of the Company.

If the holders of the same class of Equity Shares as the Sale Shares do not claim their proportion and such Sale Shares are not used in satisfying the claims by members in excess of their pro-rata entitlements the unclaimed Sale Shares shall be offered to the holders of the other classes of Equity Shares (as nearly as may be) in the proportion in which they shall then hold the other Equity Shares in which event the provisions of **Article 6.4** shall mutates mutandis apply to such offer.

- 6.5 Each member who accepts the Offer may state in his reply that he accepts the Offer Price (if any). Provided that the Offer Price is not equal to the Third Party Price any member accepting the Offer may state in his reply that he does not accept the Offer Price. If he does state that he does not accept the Offer Price, or if no Offer Price is stated by the Proposing Transferor, the Company, forthwith upon all the members to whom the Offer is made replying or (if no price is stated in the Offer) upon the termination of the period of 7 days from the making of the Offer shall instruct the Auditors to certify the fair price of the Sale Shares ("**the Fair Price**"). A member who accepts the Offer but makes no reference to the Offer Price shall be deemed to have accepted the Offer Price. The fees and expenses of the Auditors shall be paid as to one half by the Proposing Transferor and as to the balance by the purchasers of the Sale Shares (other than those purchasers who accepted the Offer Price (if any)) in proportion to the numbers of the Sale Shares respectively purchased by them. If the Proposing Transferor shall revoke the Transfer Notice pursuant to **paragraph 6.8** or none of the Sale Shares are purchased pursuant to this **Article 6** the Proposing Transferor shall pay all such costs and expenses. For the avoidance of doubt if the Offer contains a Third Party Price no member shall be entitled to request that the Auditors be instructed to certify the Fair Price and the price of the Sale Shares shall be the Third Party Price.
- 6.6 The Fair Price shall be determined by the Auditors acting as experts and not as arbitrators on the basis of the value of the Company as a going concern at the date on which the Auditors are instructed to determine the Fair Price without regard to whether or not the Sale Shares constitute a majority or minority interest.
- 6.7 The Company shall circulate a copy of the Auditors certificate of the Fair Price to all members of the Company as soon as reasonably practicable after the same shall have been determined. If either of the Proposing Transferor or any member to whom the Offer has been made disputes the certificate he may within 14 days after the issue of the said certificate refer the matter to an independent chartered accountant to be appointed in

default of agreement between the Proposing Transferor and the said member(s) by the President for the time being of the Institute of Chartered Accountants in England and Wales (who may for that purpose be instructed by any party concerned) ("**the Expert**") and who shall act as an expert and not as an arbitrator and whose decision (in the absence of manifest error) as to the Fair Price shall be final and binding. The fees and expenses of the Expert shall be borne by the parties in such proportions as the Expert shall determine.

- 6.8 The Proposing Transferor may within 5 days of determination of the Fair Price by the Auditors withdraw the Transfer Notice by notice in writing to the Company if the Fair Price (being lower than the Offer Price) is not acceptable to him.
- 6.9 Subject to **Article 6.10** below the Proposing Transferor shall be bound to transfer to each purchaser of the Sale Shares ("**the Purchasing Member**") the number of Sale Shares being purchased by him free from all liens, charges and encumbrances upon payment by such Purchasing Member to the Proposing Transferor of the Third Party Price or the Offer Price or Fair Price (as the case may be) which payment shall be made within 14 days of acceptance of the Offer Price or the Third Party Price or determination of the Fair Price (as the case may be). If in any case the Proposing Transferor, after having become bound as aforesaid, makes default in transferring any Sale Shares, the Directors of the Company may receive the purchase money which shall be paid into a separate bank account and the Directors shall within a reasonable period nominate some person to execute an instrument or instruments of transfer of the relevant Sale Shares in the name and on behalf of the Proposing Transferor and thereafter when such instrument or instruments have been duly stamped, the Directors shall cause the name of the relevant Purchasing Member to be entered in the register as the holder or holders of the relevant Shares and shall hold the purchase money on trust for the Proposing Transferor.

The receipt of the Directors for the purchase money shall be good discharge to the relevant Purchasing Member and after his or their names have been entered in the register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

- 6.10 If at the end of the Offer Period it should prove that Purchasing Member(s) shall not have been found for all the Sale Shares or having specified a Minimum Amount, Purchasing Members have not been found for the Minimum Amount then the Proposing Transferor shall (i) be entitled by written notice to the Directors to withdraw the Transfer Notice within seven days of the close of the Offer Period or (ii) be at liberty at any time within sixty days after the close of the Offer Period to sell and transfer those of the Sale Share for which the Company shall not have found a Purchasing Member as aforesaid or if no Purchasing

Member shall have been found for any of the Sale Shares to sell and transfer the whole (but not part) of the Sale Shares to the Third Party on terms which are no more favourable to the Third Party than those specified in the Transfer Notice.

- 6.11 In the event of a transfer of any shares in accordance with **Article 6** the transferee shall upon completion of such transfer accept the assignment of any indebtedness of the Company to the transferor for a consideration equal to the aggregate amount of indebtedness (including interest) outstanding under the arrangement and shall pay the consideration for such assignment in cash in pounds sterling and shall procure the release of all guarantees and indemnities given by the transferring shareholder in respect of the liabilities and/or obligations of the Company or failing such release, the execution of an indemnity against all claims, costs, demands, expenses, obligations and liabilities under such guarantees or indemnities on such terms as the transferring shareholder shall reasonably require.
- 6.12 The provisions of this Regulation shall apply mutatis mutandis to any person becoming entitled to a share or shares in consequence of the death or bankruptcy of a member (other than a person to whom a Permitted Transfer is made) or being a company an order is made or resolution is passed for the appointment of an administrator of or the winding-up of it (other than a members voluntary liquidation solely for the purpose of amalgamation or reconstruction) to the intent that upon such death or bankruptcy, administration or winding-up there shall be deemed to have been given to the Company a Transfer Notice in respect of such share or shares.

#### **PERMITTED TRANSFERS**

The provisions of **Article 6** shall not apply to:-

- 7.1 a transfer of shares permitted or effected with the consent of the **Majority** for the time being;
- 7.2 a transfer by a shareholder to the son or daughter, father or mother, wife or husband, or brother or sister of such member or to trustees of a trust wholly or principally for the benefit of such member or relative of such member in the aforementioned degrees, their spouses, their issue and the spouses of such issue, or by any such trustees to a beneficiary being a relative of the original member within such degrees or a transfer for the purpose only of effecting the appointment of a new trustee or new trustees of such trust.
- 7.3 any member ("the transferring member") may at any time transfer all or any shares held by him to a body corporate which is wholly owned by that member ("transferee company"). If subsequently the transferee company ceases to be wholly owned by the transferring member then the transferee company shall forthwith transfer the relevant shares (as

hereinafter defined) to the transferring member; and failure so to transfer such shares within 28 days of the transferee company ceasing to be wholly owned by the transferring member shall result in a Transfer Notice (as defined in Article 6.3 of the Articles) being deemed immediately to have been given in respect of the relevant shares.

The expression "relevant shares" means and includes (so far as the same remain from time to time held by the transferee company) the shares originally transferred to the transferee company and any additional shares issued or transferred to the transferee company by virtue of the holding of the relevant shares or any of them.

In the case of a series of transfers to which this **Article 7.3** applies, references to the transferor company and the transferee company shall be construed respectively as references to the first transferor company in the series and the last transferee company in the series.

#### **GENERAL MEETINGS**

- 8 In Regulation 38 the words "or a resolution appointing a person as a Director" shall be omitted.
- 9.1 No business shall be transacted at any general meeting unless a quorum is present. Two members present in person or by proxy (or in the case of a member which is a corporation, a representative or proxy for the holder) shall constitute a quorum. If such a quorum is not present within half an hour from the time appointed for the meeting the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day time and place as the Directors may by resolution determine ("**the Adjourned Shareholders' Meeting**") and the Shareholders shall be given not less than 2 days written notice of such Adjourned Shareholders' Meeting.
- 9.2 If at the Adjourned Shareholders' Meeting a quorum is not present within 15 minutes from the time appointed for the meeting the members present shall constitute a quorum.

- 10 Regulations 40 and 41 shall not apply.
- 11 Regulations 50 and 54 shall be excluded and the Chairman shall not be entitled to a casting vote in the case of an equity of votes.
- 12 A poll may be demanded at any general meeting by the Chairman or by any member having the right to vote. Regulation 46 shall be modified accordingly.
- 13 For the purposes of Regulation 53 it shall be accepted that a resolution has been executed by a member (inter alia) if the Directors shall have received a copy of the resolution bearing a facsimile of the member's signature.
- 14 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited at the registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting before the time for holding the meeting or adjourned meeting or the time for taking a poll at which the person named in the instrument proposes to vote and may be deposited by facsimile transmission.

#### **DIRECTORS**

- 14.1 Any Shareholder holding 20% or more of the issued Equity Shares shall have the right to appoint and maintain in office from time to time one Director and to remove any Director so nominated and to nominate another in his place (such nomination and removal to be effected by notice in writing to the Company). Each of the Shareholders shall exercise their voting rights at Shareholders meetings to reflect the above.
- 14.2 Such persons as the Shareholders shall determine, not being less than 2 in number shall be appointed as additional Directors of the Company.
- 14.3 No Director shall be appointed otherwise than as provided by these Articles, Regulations 73 to 80 (inclusive), and 90 shall not apply.

#### **ALTERNATE DIRECTORS**

- 15.1 A Director may at any time appoint any person to be his alternate Director and may at any time remove any such alternate Director. Any appointment or removal of an alternate Director shall be in writing signed by or on behalf of the appointor and shall be addressed to the Secretary and shall take effect on delivery at the registered office of the Company.

- 15.2 An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director.
- 15.3 An alternate Director shall be entitled to receive notices of all meetings of the Directors (subject to his giving to the Company an address within the United Kingdom at which such notices may be served on him) and to attend, speak and vote at any such meeting at which his appointor is not present and generally to perform all the functions of his appointor as a Director in his absence. An alternate Director shall not be entitled as such to receive any remuneration from the Company nor to appoint an alternate Director.
- 15.4 Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his acts and defaults, and he shall not be deemed to be the agent of or for his appointor.
- 15.5 Regulations 65 to 69 (inclusive) shall not apply.

#### **PROCEEDINGS OF DIRECTOR**

- 16 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. Regulation 88 shall not apply.
- 17 A Director may, and the Secretary at the request of any Director shall, call a meeting of Directors provided that a meeting of the Directors shall not be properly convened unless (save with the consent in writing of all the Directors from time to time or their alternates) not less than 14 days prior written notice has been given to each Director of the time, place and agenda for that meeting.
- 18 The quorum for meetings of the Board of Directors of the Company shall be two Directors or their alternates. If such a quorum is not present within half an hour from the time appointed for the meeting the meeting shall stand adjourned to the same day in the week, at the time and place or on such other day, time and place as the Directors determine and the Directors shall be given not less than 2 days written notice of such adjourned meeting. If at the adjourned meeting a quorum is not present within 15 minutes from the appointed time the Directors present shall constitute a quorum. Regulation 89 shall not apply.
- 19 Questions arising at a meeting shall be decided by a majority of votes. The Chairman (if any) shall be entitled to a vote as a director and shall be entitled to a casting vote.
- 20 A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

- 21 The Directors may delegate any of their powers to a committee or committees consisting of such members of their body as they think fit. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors so far as applicable and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Directors. The first and last sentence of Regulation 72 shall not apply.
- 22 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors (or their alternates). The Directors shall accept that a resolution has been signed by a Director if the Directors receive a copy of the resolution bearing a facsimile of the Director's signature. Regulation 93 shall not apply.
- 23 Directors or, if appropriate, their alternates may participate in or hold a meeting of Directors or a committee of Directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other; participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as that of a meeting of the Directors or (as the case may be) a committee of the Directors duly convened and held with such Directors physically present.
- 24 It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom (provided that such Directors have given to the Company a forwarding address) and despatch of notices pursuant to these Articles to such addresses shall be deemed good and effective notice;
- 25 A Director who declares his interest in the manner provided by the Act may vote as a Director in regard to any contract or arrangement in which he is interested (including, but without prejudice to the generality of the foregoing, any contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy in which he is in any way interested) or upon any matter arising in relation to it and, if he shall so vote, his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration.
- 26 In Regulation 82 of Table A there shall be inserted after the words "such remuneration" the words "for their services as such", and at the end of that Regulation the sentence: "A Director who has ceased to hold office as such when the resolution is passed shall, unless it

otherwise provides, be entitled to be paid the appropriate proportion of any remuneration voted to the Directors for a period during all or any part of which he held office".

27 In Regulation 84 of Table A there shall be inserted in the third sentence after the words "shall terminate" the parenthesis "(unless the terms of his appointment otherwise provide)".

28 In Regulation 87 of Table A there shall be substituted in the first line for the words "The Directors" the words "The Directors on behalf of the Company".

### **SECRETARY**

29 Subject to the provisions of Sections 10 and 286 of the Act, the secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit; any secretary may be removed by them. The provisions of Sections 283 and 284 of the Act shall be observed.

### **NOTICES**

30 The Company shall give notice to each member of the Company by sending it by post in a pre-paid envelope addressed to the member at his registered address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and the notices so given shall be sufficient notice to all the joint holders. Regulation 112 shall not apply.

### **INDEMNITY**

31 (a) Subject to the provisions of the Act, but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted or incurred in connection with any application in which relief is granted to him by the Court from liability in respect of any such act or omission or from liability to pay any amount in respect of shares acquired by a nominee of the Company.

(b) Subject to the provisions of the Act, the Directors may purchase and



maintain insurance at the expense of the Company for the benefit of any person who is or was a Director or other officer or auditor of the Company including (but without prejudice to the generality of the foregoing) insurance indemnifying such persons against any liability for negligence, default, breach of duty or breach of trust which may lawfully be insured against and which may attach to them in their capacity as a Director, officer or auditor of the Company. Details of any insurance so purchased or maintained shall be included in the Directors' Report for the financial year in which such insurance was purchased or maintained.

#### **SEAL**

- 32 A document signed by a Director and by the Secretary or another Director and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if it were under Seal and a document so executed which makes it clear on its face that it is intended to be a deed (in whatever form of words) has effect, upon delivery as a deed.