

Registered Number: 4056294

**THE COMPANIES ACT**

**NATIONAL GRID SIX LIMITED**

**PRIVATE COMPANY LIMITED BY SHARES**

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**SOLE MEMBER'S DECISION  
PURSUANT TO SECTION 382B  
COMPANIES ACT 1985 (the "Act")**

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The following is a written record pursuant to section 382B of the Act of a decision of the sole member of the Company to pass one Special Resolution and one Ordinary Resolution which have effect as if agreed by the Company in general meeting:-

**SPECIAL RESOLUTION**

1. That the articles of association (the "New Articles"), a copy of which is attached to these resolutions, be adopted as the articles of association of the Company in substitution for and to the exclusion of its existing articles of association.

**ORDINARY RESOLUTION**

2. That the authorised share capital of the Company be increased from £100 to £1,000,000,100 by the creation of 1,000,000,000 redeemable preference shares of £1 each in the share capital of the Company (having rights as set out in the New Articles adopted pursuant to resolution 1 above) as a separate class to the existing ordinary shares of £1 each in the share capital of the Company.



**Date:** 22 November 2000

**Sole Member:** W. Warner  
as authorised representative for  
**Mitre House Nominees Limited**

**Company No: 4056294**

**The Companies Acts  
Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

**of**

**NATIONAL GRID SIX LIMITED**

(Adopted by Special Resolution passed on 22 November 2000)

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**The Companies Acts  
Company Limited by Shares**

**ARTICLES OF ASSOCIATION  
of  
NATIONAL GRID SIX LIMITED**

**DEFINITIONS AND INTERPRETATION**

**1. Interpretation**

1.1 The regulations contained in Table A shall apply to the Company except in so far as they are excluded by or are inconsistent with these Articles. Regulations 8, 24, 40, 41, 64, 65, 67, 73 to 78 (inclusive), 80, 83, 94 to 98 (inclusive), 108 and 118 of Table A shall not apply to the Company.

1.2 In these Articles and the applicable regulations of Table A (as defined below) the following words and expressions have the meanings set opposite them:

<b>"Act"</b>	the Companies Act 1985 and any reference herein to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
<b>"Committee"</b>	a committee of the board of directors of the Company duly appointed pursuant to these Articles.
<b>"Ordinary Shares"</b>	the ordinary shares of £1 each in the share capital of the Company.
<b>"Preference Shares"</b>	the redeemable preference shares of £1 each in the share capital of the Company.
<b>"Statutes"</b>	every statute (including any statutory instrument, order, regulation or subordinate legislation made under it) for the time being in force concerning companies and affecting the Company.
<b>"Table A"</b>	Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985.
<b>"these Articles"</b>	these Articles of Association as originally adopted or as altered from time to time.

- 1.3 Words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations. Headings to these Articles are inserted for convenience and shall not affect their construction.
- 1.4 Unless the context otherwise requires or does not so admit or, save as otherwise provided herein, words and expressions contained herein shall bear the same meaning as in the Act (but excluding any statutory modification or re-enactment thereof not in force on the date on which these Articles become binding on the Company).

## **2. Share capital**

The authorised share capital of the Company at the date of adoption of these Articles is £1,000,000,100 divided into 100 Ordinary Shares and 1,000,000,000 Preference Shares.

## **3. Share rights**

The rights attaching to the respective classes of Shares shall be as follows:

### **3.1 As regards income:**

- 3.1.1 In respect of any financial year of the Company the profits of the Company for the time being available for distribution shall be applied first in paying to the holders of the Preference Shares a fixed cumulative cash dividend (the "Preference Dividend") at the rate (exclusive of any associated tax credit and subject as provided in Articles 3.1.5 and 3.1.6 below) of 7.5 per cent. of the nominal value of the relevant Preference Share together with any premium paid thereon per share per annum; the Preference Dividend on each Preference Share shall accrue from day to day from (and inclusive of) the date of issue of such Preference Share to (and inclusive of) the date on which such Preference Share is redeemed and shall become payable and be paid yearly on 30 June in every year, the first such payment to be made on 30 June 2002 and to be in respect of the period from the date of issue of the Preference Shares up to (and inclusive of) 30 June 2002.
- 3.1.2 Each Preference Dividend shall become due and payable on the respective dates referred to in Article 3.1.1 above ipso facto and without any recommendation or resolution of the Directors or the Company in general meeting (and notwithstanding anything to the contrary contained in these Articles) until redemption of the relevant Preference Share. Each payment of any such dividend shall be accompanied by a certificate for the related tax credit (if any).
- 3.1.3 If the Company is not lawfully able to pay any Preference Dividend in full on the due date for payment of the same then it shall on such date pay the same to the extent that it is then lawfully able so to do and, without prejudice to the respective rights of the holders of the relevant Shares, any amount not then so paid shall be paid so soon thereafter as the Company is lawfully able to pay the same.

- 3.1.4 If any Preference Dividend is (for whatever reason) not paid in full on the due date for payment of the same then, as from such date, interest shall accrue on the amount unpaid at the rate of 2 per cent. per annum above the base rate of Barclays Bank PLC from time to time or at 8 per cent. per annum whichever is the higher and shall become due (as a charge against the Company) and be paid at the same time as the amount to which it relates is paid, which, in the event that non-payment was by reason of the due date for payment being a day other than a business day, shall be the next business day following the original due date for payment of the relevant Preference Dividend.
- 3.1.5 The rate of the Preference Dividend as stated in Article 3.1.1 above has been fixed on the basis that in relation to the payment of such dividends the Company will not be required to make any deduction or withholding on account of taxation. If at any time and from time to time any such deduction or withholding is required to be made then, with effect from the date when such requirement arises, the rates of such dividends shall be increased to such extent as is necessary to procure and ensure that the holders of the relevant Shares receive the same amount as that to which they were entitled prior to such requirement arising.
- 3.1.6 The Company may not distribute any profits in respect of any financial year in addition to those required to be distributed pursuant to Article 3.1.1 unless and until all arrears of the Preference Dividend have been paid in full.
- 3.1.7 Subject to Article 3.1.6, any profits which the Company may determine to distribute in respect of any financial year shall be applied as to any balance, amongst the holders of the Ordinary Shares.

3.2 As regards capital:

On a return of assets on liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities (including any interest payable pursuant to Article 3.1.4) shall be applied:

- 3.2.1 first in paying to the holders of the Preference Shares a sum equal to all arrears and/or accruals of Preference Dividends and any interest thereon to be calculated down to the payment date (and to be payable irrespective of whether or not any profits have been made or earned by the Company);
- 3.2.2 second, in paying to the holders of the Preference Shares an amount equal to the subscription price (inclusive of any premium) paid for such shares;
- 3.2.3 third, in paying to the holders of the Ordinary Shares an amount equal to the subscription price (inclusive of any premium) paid for such shares;
- 3.2.4 and, subject thereto, the balance of such assets shall belong to and be distributed amongst the holders of the Ordinary Shares.

3.3 As regards redemption of Preference Shares:

- 3.3.1 Subject to the Act, the Company shall redeem the Preference Shares as follows:



- (a) upon the Company giving not less than 30 days previous written notice to the holders of relevant Preference Shares (a "redemption notice") the Company shall be entitled to redeem all or such other number of the Preference Shares then in issue as the Company shall specify in the redemption notice (being not later than 29 June 2006); or
  - (b) without notice, on 30 June 2006.
- 3.3.2 The holders of not less than one half in number of the Preference Shares shall be entitled, by notice in writing to the Company, to require redemption of all the Preference Shares for the relevant time being in issue at any time after any dividend payable in respect of the Preference Shares failing (for whatever reason) to be paid in full on the due date for payment of the same pursuant to Article 3.1 and upon the giving of any such notice in writing to the Company as aforesaid all the Preference Shares shall immediately become due for redemption on the date specified in such notice.
- 3.3.3 Where Preference Shares are to be redeemed by prior written notice given by the Company the redemption notice to be given shall specify the particular Preference Shares the subject of the redemption notice and the date (which shall be in accordance with the provisions of the Act) fixed for their redemption.
- 3.3.4 Where the Company has given a Redemption Notice, the Company shall be entitled to withdraw it upon giving a further notice to that effect to the relevant holder of the Preference Shares at any time before the redemption takes place.
- 3.3.5 Subject to the provisions of the Act, upon each date on which all or any of the Preference Shares become due for redemption pursuant to the foregoing provisions of this Article the Company shall pay to the holder (or, in the case of joint holders, to the holder whose name stands first in the register of members in respect of such Shares) of each Preference Share then due to be redeemed an amount of £1 per Preference Share together with a sum equal to all arrears and accruals of dividend on such share (whether earned or not) calculated up to (and including) the actual date of redemption.
- 3.3.6 Certificates for Preference Shares shall be deemed to have been cancelled to the extent appropriate on the date upon which the shares to which they relate are redeemed in full. Following any partial redemption of Preference Shares certificates which then relate in part to Preference Shares which have not been redeemed shall be delivered up to the Company and, subject only to such delivery up, the Company shall (free of charge) issue new definitive certificates in respect of those Preference Shares which have not been redeemed.
- 3.3.7 If on any due date for redemption of Preference Shares the Company is prohibited by law from redeeming all of the Preference Shares then falling to be redeemed it shall on such date redeem such number of the same as it may then lawfully redeem and shall redeem the balance so soon thereafter as it is not so prohibited and, for so long as such prohibition remains and any such Preference Shares as aforesaid have not been redeemed (and notwithstanding any other

provisions of these Articles) the Company shall not pay any dividend save for the Preference Dividend, or otherwise make any distribution of or otherwise decrease its profits available for distribution. If the Company fails to make any partial redemption of Preference Shares on any due date for redemption, then subsequent redemptions of Preference Shares shall be deemed to be of those Preference Shares which first became due for redemption.

- 3.3.8 If the Company fails (for whatever reason) to redeem any Preference Shares on the due date for redemption of the same then, as from such date until the date on which the same are redeemed, interest shall accrue on the amount of the subscription price paid for such Shares at the same rate as that payable pursuant to Article 3.1.5 (and such interest shall become due (as a charge against the Company) and be paid as provided in such Article).
- 3.3.9 Any partial redemption of Preference Shares shall be made amongst the holders of the Preference Shares pro rata (as nearly as may be without giving rise to fractions) according to their respective holdings.

3.4 As regards class rights:

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either while the Company is a going concern or during or in contemplation of a winding-up with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of that class, but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or the proceedings thereat shall apply mutatis mutandis except that the necessary quorum shall be one person at least holding or representing by proxy one-third in nominal amount of the issued shares of the class, that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively and that any holder of shares of the class present in person or by proxy may demand a poll.

## SHARE CAPITAL

### 4. Directors' power to allot shares

Subject to any direction to the contrary which may be given by the Company in general meeting, the directors are unconditionally authorised to allot, create, deal with or otherwise dispose of relevant securities (within the meaning of section 80(2) of the Act) to such persons (including any director) on such terms and at such time or times as they think fit, provided that no shares shall be issued at a discount.

### 5. Extent of directors' power to allot shares

The maximum nominal amount of share capital which the directors may allot or otherwise dispose of in accordance with Article 4 shall be the nominal amount of unissued share

capital at the date of adoption of this Article or such other amount as shall be authorised by the Company in general meeting.

**6. Duration of directors' power to allot shares**

The authority conferred on the directors by Articles 4 and 5 shall remain in force for a period of five years from the date of adoption of this Article and thereafter provided this authority is renewed from time to time by the Company in general meeting in accordance with section 80 of the Act.

**7. Disapplication of statutory pre-emption provisions**

In accordance with section 91(1) of the Act, the provisions of sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the share capital of the Company (present and future).

**8. Alteration of share capital**

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

**LIEN**

**9. Company's lien**

- 9.1 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 registered in the name of any person (whether solely or jointly with others) for all monies owing to the Company from him or his estate either alone or jointly with any other person whether as a member or not and whether such monies are presently payable or not. The directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
- 9.2 Subject to the provisions of the Act and these Articles, a forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

## **TRANSFER OF SHARES**

### **10. Right to refuse registration**

The directors may, in their absolute discretion and without giving any reason, decline to register any transfer of any share whether or not it is a fully paid share.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **11. Quorum**

No business shall be transacted at any general meeting unless a quorum is present. Subject to Article 12 of these Articles two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

### **12. Quorum if only a sole member**

If and for so long as the Company has only one member, that member present in person or by proxy or if that member is a corporation by a duly authorised representative shall be a quorum.

### **13. Procedure if a quorum is not present**

If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to such day and at such time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

### **14. Procedure if a single member company**

14.1 If the membership of the Company falls to one member, or having had one member, increases to more than one member an appropriate statement of such event shall together with the date of that event be entered in the register of members in accordance with section 352A of the Act.

14.2 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting save that this Article shall not apply to resolutions passed pursuant to sections 303 and 391 of the Act. Any decision taken by a member pursuant to this Article shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book.

- 14.3 If and for so long as the Company has only one member and that member is a director, the Company shall, except as to contracts in the ordinary course of the Company's business, comply with the obligation in section 322B of the Act to ensure that any contract between the Company and that member is in writing or set out in a memorandum in writing or is recorded in the minutes of the first meeting of the directors following the making of that contract.

**15. Signature by or on behalf of members**

In the case of:

- 15.1 a member which is a corporation the signature of:

15.1.1 any director or the secretary of that corporation; or

15.1.2 any other person authorised in that behalf either generally or in a particular case by notice in writing to the Company in accordance with sub-paragraph 15.1.1 above; and,

- 15.2 a share registered in the name of joint holders, the signature of any one of such joint holders,

shall be deemed to be and shall be accepted as the signature of the member or members concerned for all purposes including the signature of any form of proxy, resolution in writing, notice or other document signed or approved pursuant to any provision of these Articles.

**16. Right to demand a poll**

A poll may be demanded at any general meeting by any member (or his proxy or, in the case of a corporation, his duly authorised representative) entitled to vote thereat. Regulation 46 of Table A shall be modified accordingly.

**17. Resolution in writing**

A resolution in writing such as is referred to in regulation 53 of Table A executed by or on behalf of a member may be evidenced by letter, telex, cable, electronic mail, facsimile or otherwise as the directors may from time to time resolve.

**18. Voting**

- 18.1 As regards voting:

18.1.1 Ordinary Shares shall respectively confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

18.1.2 Preference Shares shall confer on each holder thereof (in that capacity) the right to receive notice of and to attend and speak at all general meetings of the Company but shall not confer any right (in that capacity) to vote thereat unless at the date of the meeting either:

- (a) all or any Preference Shares have become due for redemption under Article 3.3.1 shall not have been redeemed in full in accordance with Article 3.3;
- (b) the holders of Preference Shares shall have become entitled to require redemption of the Preference Shares under Article 3.3.2;

and, in any such event, each holder of Preference Shares shall be entitled (in that capacity) to vote at such meeting (and, on a poll, to exercise one vote for every Preference Share of which he is the holder).

18.2 On a show of hands or on a poll votes may be given either personally or by proxy and regulation 54 of Table A shall be construed accordingly. In the case of a member which is a corporation, a director or the secretary shall be deemed to be a duly authorised representative of that corporation for the purposes of regulation 54 of Table A and for the purpose of agreeing to short notice of, or attending and voting at, any general meeting of the Company.

18.3 Subject to any rights or restrictions attached to any shares,

18.3.1 on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, (not being himself a member entitled to vote), and every person (not being entitled to vote in any other capacity) present as a proxy for a member or members shall have one vote; and

18.3.2 on a poll every member (or his proxy) shall have one vote for every share of which he (or the member by whom he was appointed) is the holder.

18.4 Regulation 59 of Table A shall be amended by the addition of the following:

“On a show of hands or a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion and a member entitled to more than one vote on a poll need not use all his votes or cast all his votes used in the same way. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting except with the permission of the chairman of the meeting.”

## 19. Proxies

An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director, the secretary or other officer thereof or by its duly appointed attorney or duly authorised representative. Regulation 60 of Table A shall be construed accordingly. The directors may at their discretion treat a copy of a faxed or machine made instrument

appointing a proxy as an instrument of proxy. Appointment of a proxy may be accepted by the directors at any time prior to the meeting at which the person named in the instrument proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll). An instrument of proxy may be revoked at any time prior to the commencement of the meeting by notice of revocation given by such means as an instrument of proxy may be given under these Articles. Regulation 62 of Table A shall be construed accordingly.

## **NUMBER OF DIRECTORS**

### **20. Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum and the minimum number of directors shall be one.

## **ALTERNATE DIRECTORS**

### **21. Appointment, removal and cessation**

Any director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director so appointed by him. An alternate director shall cease to be an alternate director if his appointor ceases to be a director.

### **22. Powers of an alternate director**

If his appointor is for the time being unavailable or temporarily unable to act through ill health or disability, the signature of an alternate director to any resolution in writing of the directors shall be as effective as the signature of his appointor.

### **23. Alternate acting for more than one director**

When an alternate director is also a director or acts as an alternate director for more than one director, such alternate director shall have one vote for every director so represented by him (in addition to his own vote if he is himself a director) and when so acting shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two.

## **DELEGATION OF POWERS**

### **24. Committees**

The following sentences shall be inserted in place of the first sentence of regulation 72 of Table A:

"The directors may delegate any of their powers to any Committee consisting of one or more persons. Any Committee shall have the power unless the directors direct otherwise to co-opt as a member or as members of the Committee for any specific purpose any person or persons not being a director or directors of the Company".

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

### **25. No retirement by rotation**

The directors shall not be subject to retirement by rotation and accordingly the final two sentences of regulation 79 of Table A shall not apply to the Company.

### **26. Casual vacancy**

The Company may by ordinary resolution appoint a person who is willing to act as a director either to fill a vacancy or as an additional director.

### **27. Majority shareholders' right to appoint and remove directors**

Any member or members holding a majority in nominal amount of the issued ordinary share capital which confers the right to attend and vote at general meetings may at any time appoint any person to be a director, whether as an additional director or to fill a vacancy, and may remove from office any director howsoever appointed. Any such appointment or removal shall be effected by notice in writing to the Company signed by the member or members making the same or in the case of a corporate member signed by any director thereof or by any person so authorised by resolution of the directors or of any other governing body thereof. Any such appointment or removal shall take effect when the notice effecting the same is delivered to the registered office or to the secretary of the Company, or is produced at a meeting of the directors. Any such removal shall be without prejudice to any claim which a director may have under any contract between him and the Company.

### **28. Death of a sole member**

In any case where as the result of the death of a sole member of the Company the Company has no members and no directors, the personal representatives of such deceased member shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be as effective as if made by the Company in general meeting pursuant to Article 26 of these Articles.

### **29. No age limit for directors**

There shall be no age limit for directors of the Company.



**30. No directors' shareholding requirement**

A director shall not be required to hold any qualification shares in the Company.

**DISQUALIFICATION AND REMOVAL OF DIRECTORS**

**31. Disqualification**

Regulation 81 of Table A shall be amended by substituting for paragraphs (c) and (e) thereof the following provisions:

"(c) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or"

"(e) he is otherwise duly removed from office."

**REMUNERATION OF DIRECTORS**

**32. Ordinary remuneration and extra remuneration**

Regulation 82 of Table A shall be amended by the addition of the following:

"Such remuneration shall be divided between the directors in such proportion and manner as the directors may unanimously determine or in default of such determination equally, except that any director holding office for less than a year or other period for which remuneration is paid shall rank in such division in proportion to the fraction of such year or other period during which he has held office. Any director who, at the request of the directors, performs special services or goes or resides abroad for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits, or partly in one way and partly in another, as the directors may determine."

**33. Directors' expenses**

The directors (including alternate directors) may be paid all travelling, hotel, and other expenses properly and reasonably incurred by them in connection with their attendance at meetings of directors or Committees or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

**PROCEEDINGS OF DIRECTORS**

**34. Notice to directors outside the United Kingdom**

34.1 Regulation 88 of Table A shall be amended by substituting for the sentence:

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom."

the following sentence:

"Notice of every meeting of directors shall be given to each director or his alternate director, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom."

The final sentence of regulation 66 of Table A shall accordingly not apply to the Company.

34.2 In determining whether the quorum requirements fixed by or in accordance with these Articles are fulfilled as regards the transaction of business at any meeting of the directors or of a Committee, the following shall be counted in the quorum:

34.2.1 in the case of a resolution approved by a meeting of the directors or of a Committee held by telephone communication, all directors participating in such meeting;

34.2.2 in the case of a meeting of the directors or of a Committee, the directors actually present at such meeting and any other director in telephone communication with such meeting; and

34.2.3 in the case of a meeting held by means of facsimile transmissions, all directors participating in such meeting by that means.

References in this Article to a director shall include references to an alternate director who at the relevant time is entitled to receive notice of and to attend a meeting of the directors or, as the case may be, the relevant Committee.

### **35. Directors as corporations**

Where a director is a corporation, a director, the secretary or other officer thereof shall be deemed to be a duly authorised representative of that corporation for the purposes of signing any written resolution of directors of the Company.

### **36. Sole director**

If and so long as the minimum number of directors specified under these Articles is one, a sole director may exercise all the powers conferred on the directors by these Articles, and shall do so by written resolution under his hand and, so long as there is such sole director, regulations 88 to 90 of Table A shall not apply to the Company and Article 34 shall have no effect.

**37. Resolution in writing**

A resolution in writing such as is referred to in regulation 93 of Table A signed by any relevant director, alternate director or member of a Committee may be evidenced by letter, telex, cable, electronic mail, facsimile or otherwise as the directors may from time to time resolve.

**38. Participation at meetings by telephone**

38.1 Directors (or their alternates) or other persons participating in the manner described in this Article shall be deemed to be present in person and to be holding a meeting.

38.2 Any director (including an alternate director) or other person may participate in a meeting of the directors or a Committee of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Resolutions and decisions of the kind normally made or taken at a physical meeting of the directors or a Committee in accordance with these Articles can accordingly be so made or taken in circumstances where none or only some of the directors or other persons are physically present with each other. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is.

**39. Directors' interests**

Subject to such disclosure as is required by section 317 of the Act a director shall be counted for the purposes of calculating whether there is a quorum and shall be entitled to vote at a meeting of directors or of a Committee on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company.

**40. Secretary**

Subject to the provisions of the Act, the Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. If thought fit, two or more persons may be appointed as joint Secretaries. The directors may also appoint from time to time on such terms as they think fit one or more assistant or deputy Secretaries.

**THE SEAL**

**41. Sealing**

41.1 If the Company has a seal it shall only be used with the authority of the directors or of a Committee. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the

secretary or second director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.

- 41.2 The directors or a Committee authorised to do so by the directors may by telephone or telex communication or by facsimile reproduction authorise the secretary or any director to use the seal and the transmission of such authority shall constitute a determination in such a case that the secretary or the designated director above may sign any instrument to which the seal is to be affixed pursuant to that authority, and regulation 101 of Table A shall be modified accordingly.

**42. Execution of a document as a deed**

Where the Statutes so permit, any instrument signed by one director and the secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under the seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of the directors or of a committee authorised by the directors in that behalf.

**43. Official seal**

In accordance with section 39 of the Act the Company may have an official seal for use in any territory, district or place outside the United Kingdom.

## **DIVIDENDS**

**44. Payment of dividends**

- 44.1 The payment by the directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company as trustee in respect of such moneys. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.
- 44.2 The directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts or other liabilities in respect of which the lien exists.

## **NOTICES**

**45. Form of notice**

Any notice required by these Articles to be given by the Company may be given by any written documentary form including by means of telex, cable, electronic mail or facsimile, and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.

## INDEMNITY

### 46. Officers' indemnity

Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, expenses, losses and liabilities sustained or incurred by him in the actual or purported execution of his duties or in the exercise or purported exercise of his powers or otherwise in connection with his office including, but without prejudice to the generality of the foregoing, any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which relief is granted to him by the Court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company.

### 47. Directors' power to purchase indemnity insurance

The directors shall have power to purchase and maintain for any director, secretary, auditor or other officer of the Company insurance against any such liability as is referred to in section 310(1) of the Act.