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THE COMPANIES ACTS, 1862 TO 1900.

COMPANY LIMITED BY SHARES

Memorandum of Association
OF
**THE NORTH BRITISH STEEL
FOUNDRY LIMITED**

I. The name of the Company is "THE NORTH BRITISH STEEL FOUNDRY LIMITED."

II. The Registered Office of the Company will be situate in Scotland.

III. The objects for which the Company is established are all or any of the following :—

(A) To adopt, enter into, and carry into effect with or without modification (first) a Minute of Agreement, dated 7th September 1907, entered into between William Livingstone, Manufacturer in Bathgate, and residing there, of the first part, and Alexander Petrie Simpson, W. S., Bathgate, as Trustee for and on behalf of the Company, of the second part, and (second) a Minute of Agreement, dated 1st April 1907, entered into between George Menzies, residing at North Bridge Street, Bathgate, subscribing thereto as George M. Menzies, and hereinafter referred to as George M'Beth Menzies, of the first part, and the said Alexander Petrie Simpson, as trustee for and on behalf of the Company, of the second part, and also to enter into any further or new agreement with the said George M'Beth Menzies in reference to the business of the said Company as may be considered necessary or desirable.

(B) To carry on in the United Kingdom, or elsewhere, the business of Iron and Steel Founders, Crucible Steel Manufacturers, Engineers, Bridge Builders, Iron Masters, Steel and Mineral Merchants, and Manufacturers of all other products produced in the manufacture and working of iron, steel, and other minerals, and to buy and sell iron,

steel, timber, coal, and other materials of every kind and denomination, to acquire, construct and establish works and buildings, and to use the works, buildings, plant, and machinery of the Company for any work for which they may be available, in connection with the objects and business of the Company.

(c) To establish branches and appoint agents to assist in the conduct or extension of the business and objects of the Company, and to regulate and discontinue the same.

(d) To feu, purchase, acquire and hold, or to lease or accept permission to use any lands, heritages, and other real properties and effects, or any grants, concessions, leases, or other rights therein, and any other property, rights, or privileges which may be thought conducive to any of the objects of the Company, and to construct, maintain, extend, alter, or repair any works, machinery or buildings; to erect or acquire, by purchase or lease, dwelling houses for the occupation of persons in the employment of the Company, or formerly in its employment, and of the widows, children and other dependents of such persons, as also to enter into traffic or other agreements with railway or other carrying companies.

(e) To sell, feu, exchange or exchang all or any of the property or effects of the Company; and also to let or hire all or any part thereof.

(f) To purchase or otherwise acquire inventions, patents, licences, grants, concessions, designs, or trade marks which may seem capable of being used for any of the objects of the Company or for its benefit, and to make application for letters patent, licences, grants, or concessions for inventions, designs or trade marks, and to use, exercise, develop and grant licences in respect of the property or rights so acquired.

(g) To establish and carry on any other business or trade of any kind or denomination whatsoever which the Company may consider desirable to be carried on in connection with or in addition to the said business of Iron and Steel Founders, Crucible Steel Manufacturers, Engineers, Bridge Builders, Iron Masters, Steel and Mineral Merchants and Manufacturers.

(h) To dispose of by sale, amalgamation or otherwise all or any part of the property, business, assets and liabilities

of the Company, and also to let or hire all or any part thereof for such consideration as the Company may think fit and to accept as the consideration in whole or in part for such disposal, money or the shares, stock or debentures of any other Company, and to acquire in any way, hold and sell the shares, stock or debentures of any other Company having objects altogether or in part similar to those of the Company.

(I) To borrow or raise any sum or sums of money by way of discount, cash credit or overdraft, or upon Bond, Debenture (terminable, redeemable or perpetual), Mortgage, Promissory Note or Receipt, or in any other manner; and to grant security for all or any of such sums, and by way of such security to dispoise, mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company, including uncalled Capital: or to dispoise, transfer or convey the same absolutely or in trust, and to give to creditors powers of sale, and other usual or necessary powers.

(J) To draw, make, accept, enforce and execute, and to discount and sell Promissory Notes, Bills of Exchange, Bills of Lading, and other negotiable instruments and documents of title.

(K) To receive and take money on deposit at interest or otherwise.

(L) To purchase, acquire, take on lease or licence, construct maintain and let any roads, tramways, railways, branches or sidings, canals, piers, jetties, furnaces, smelting works, mills, warehouses, plant, machinery, dwelling-houses, and other works and conveniences, calculated directly or indirectly to advance the objects and interests of the Company, and to work and carry on the same or any part thereof or to contribute to or otherwise assist or take part in the construction, maintenance or working thereof.

(M) To purchase, acquire, or take on lease and work any mines and minerals.

(N) To buy or acquire the business, property, or undertaking of any other Company or partnership carrying on any business which the Company may legally carry on, and to pay for such business, property or undertaking or

for any other property or rights acquired by the Company, either in cash, debenture stock, or debentures of the Company or shares with or without preferred or deferred rights in respect of dividend, or repayment of principal or otherwise, or by any securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Directors may approve and to carry on such business, property or undertaking.

(o) To promote any other Company for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit and further the objects and interests of this Company.

(p) To enter into partnership or into any arrangements for sharing profits or interests with any person or Company carrying on or about to carry on any business which this Company may legally carry on, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

(q) To enter into any trade or other combinations or agreements with any other persons, firms, or companies, and to subscribe to any trade or other association.

(r) To amalgamate with any other company in the United Kingdom established for objects similar to any of those for which this Company is established, and to take by subscription, purchase or otherwise, and hold shares or stock in, or debentures or other securities of any company, society or undertaking, which may be deemed likely to advance in any way the interests of this Company.

(s) To remunerate any person or company for services rendered in carrying out any of the objects of the Company.

(t) To pay all or any of the costs, charges and expenses, preliminary and incidental, to the promotion, formation, establishment and registration of the Company, including usual brokerage charges.

*(u) To invest and deal with the available moneys of the Company upon such securities, including personal obligations, and in such manner as may from time to time be determined and to lend money generally, and in particular, to lend money to companies or persons owning or engaged in, or carrying on business connected with the Company's business or to others being customers of, or having dealings with or acquiring any of the property of the Company, and to guarantee the payment of moneys and the performance of contracts by any such companies or persons.

v

*(v) To give pensions, gratuities, donations and emoluments to any employees or ex-employees and to officers and ex-officers (including Directors and ex-Directors) of the Company or of any subsidiary or associated company, or the wives, widows, relations, connections and dependents of any such persons, and to establish or support Associations, Institutions, Clubs, Funds and Trusts which may be considered to benefit any such persons or otherwise advance the interests of the Company or its members; to support or subscribe to any Association, Institution or other Body whose objects are such as are calculated to promote the interests or maintain the status of the Company whether such Associations are Trade Associations or otherwise, and to subscribe to any charitable or public Institution, objects or appeals of any nature whatsoever.

*Adopted by
Special Resolution
passed 18th
December, 1951.

(w) To do all such other things as are incidental or conducive to the attainment of the above objects, or any of them.

IV. The liability of the members is limited.

V. The Capital of the Company is £20,000 sterling, divided into Twenty Thousand Shares of £1 each, with power to divide the Shares in the Capital for the time being into several classes, and to attach thereto respectively such preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company.

For alterations
to share capital
see page 7.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS.	Number of Shares taken by each Subscriber.
GEORGE M. MENZIES, of Kimberley Buildings, Bathgate, West Lothian, Steel Founder ...	One Share.
WILLIAM LIVINGSTONE, of Beechwood, Bathgate, West Lothian, Manufacturer ...	One Share.
JAS. DEAKIN, of 640 New City Road, Glasgow, Lanarkshire, Engineer ...	One Share.
ALEX. PETRIE SIMPSON, of Fernlea, Bathgate, West Lothian, Writer to the Signet ...	One Share.
JAMES MITCHELL, of 5 South Bridge Street, Bathgate, West Lothian, Company Secretary ...	One Share.
JAMES RUSSELL, of West Main Street, Armadale, West Lothian, Merchant ...	One Share.
ENOCK GLEN, of Glenavon, Bathgate, West Lothian, Oil Merchant ...	One Share.

Dated the Ninth of September, Nineteen Hundred and Seven.

Witness to the above Signatures :—

INNES WEST,

Law Clerk,

Bloomfield House, Bathgate.

NOTE - ALTERATIONS OF SHARE CAPITAL

By Special Resolution of the Company passed on 24th February 1918 and confirmed 16th March 1918 it was provided :—

"That the Share Capital of the Company be increased by the sum of £10,000 by the creation of 10,000 new Shares of £1 each, which Shares shall be preference shares."

By Special Resolution of the Company passed on 22nd March 1921 and confirmed 12th April 1921 it was provided :—

"That the Share Capital of the Company be increased from £30,000 to £200,000 by the creation of 170,000 new Shares divided into 80,000 Ordinary Shares of £1 each, and 90,000 Preference Shares of £1 each, making the Share Capital of the Company £200,000 divided into 100,000 Ordinary Shares of £1 each and 100,000 Preference Shares of £1 each."

By Special Resolution of the Company passed 23rd June 1936 it was provided :—

I. "That the Capital of the Company be reduced from £200,000 divided into 100,000 Cumulative Preference Shares of £1 each all issued and fully paid, and 100,000 Ordinary Shares of £1 each (of which 20,000 are issued and fully paid and 80,000 are unissued) to £145,000 divided into 60,000 Preference Shares of £1 each all issued and fully paid and 85,000 Ordinary Shares of £1 each (of which 5,000 are issued and fully paid and 80,000 are unissued) and that such reduction be effected (cancelling Capital which has been lost or is unrepresented by available assets, to the extent of £55,000);

(a) By cancelling 15,000 of the issued Ordinary Shares in the proportion of three fourths of the holding of each ordinary shareholder :

(b) By cancelling 40,000 of the Preference Shares in the proportion of two-fifths of the holding of each Preference shareholder ;

II. That upon, and concurrently with, the said reduction of Capital becoming effective :—

1. The rights attaching to the shares of the Company (already issued) shall be altered as follows :—

(a) All arrears at 30th September, 1936, of the Cumulative Preferential Dividends on the 8 per cent. Cumulative Preference Shares already issued, and all special rights, privileges and limitations presently attached to or affecting these shares shall be cancelled.

(b) 30,000 of said Preference Shares (as reduced) shall be converted into and become Ordinary Shares to rank *pari passu* with the existing 85,000 Ordinary Shares (as reduced) making the number of Ordinary Shares (as reduced) 115,000 (being 35,000 issued and 80,000 unissued).

2. The Capital of the Company shall be increased to its former amount of £200,000 by the creation of 55,000 shares of £1 each which may be issued as Ordinary Shares, or with a preferential, guaranteed, deferred or qualified right, to dividends or in the distribution of the assets of the company and with a special, or without any, right of voting."

By Ordinary Resolution of the Company passed on 1st October, 1954 it was provided :—

"That out of the unissued Share Capital of the Company there shall be issued (a) 10,000 Ordinary Shares of £1 each and (b) 25,000 of the shares of £1 each of no specified class, in the form of 25,000 Ordinary Shares of £1 each ; that the sum of £35,000 being part of the undivided profits of the Company standing at the credit of the Company Reserves be capitalised and distributed among the Shareholders on the footing that they become entitled thereto as capital in pursuance of Article 137 of the Articles of Association

By an Ordinary Resolution of the Company passed on 22nd February 1963 it was provided:—

"That the capital of the Company be increased from £300,000 to £350,000 divided into 30,000 6 per cent. Cumulative Preference Shares of £1 each all of which are issued and fully paid, 277,000 Ordinary Shares of £1 each of which 250,000 are issued and fully paid, and 43,000 unclassified Shares of £1 each."

and by a Special Resolution of the Company passed on the same date it was provided:

"That, subject to the preceding Resolution being passed, with a view to the Company acquiring the 60,000 Ordinary Shares of £1 each of Bonnington Castings Limited being the whole of the issued Ordinary Shares of that Company not already held, the offer, dated 31st January 1963 made by Messrs. Davidson & Syme, W.S., Edinburgh, a copy of which accompanied the Notice convening this Meeting, be and the same is hereby approved and confirmed and that accordingly as and when the said offer becomes binding the Directors be authorised to issue in acquisition of the said shares 27,000 Ordinary Shares of £1 each in the capital of the Company not ranking for any dividend declared in respect of the year ended 30th September 1962 but otherwise ranking *pari passu* in all respects as from 1st October 1962 with the 250,000 Ordinary Shares of £1 each of the Company at present in issue."

applied on behalf of the holders of the 105,000 shares in full for said to rank *pari passu* with except that they will not in respect of the year to Ordinary Shares credited as said 105,000 Ordinary for every three Ordinary to deal with fractions as treated for all purposes held in the Company by

30th July, 1956 it was

Company be increased new shares of £1 each any shares, or with a to dividends, or in a special, or without

increase of Capital

Company there shall specified class, in the the sum of £50,000 any standing at the distributed among the entitled thereto as of Association of the ed on behalf of the of the 140,000 payment in full for apany to rank *pari* med and to partici- this resolution an paid be distributed in the proportion y shares at present ions as they think all purposes as an l in the Company

July, 1958 it was

upany there shall the form of 50,000 being part of the dit of Company reholders on the suance of Article t the said capital nth day of July of £1 each of the of £1 each of the Shares already elared after the Shares credited 00,000 Ordinary Four Ordinary with fractions treated for all al held in the

of the Company, and that the said capital sum be applied on behalf of the persons who on the first day of October 1954 are the holders of the 105,000 Issued Ordinary Shares of £1 each of the Company in payment in full for said 35,000 Ordinary Shares of £1 each of the Company to rank *pari passu* with said 105,000 Ordinary Shares already issued, except that they will not participate in any dividend which may be payable in respect of the year to 30th September 1954, and that the said 35,000 Ordinary Shares credited as fully paid be distributed among the holders of the said 105,000 Ordinary Shares in the proportion of one new Ordinary Share for every three Ordinary Shares at present held (the Directors having power to deal with fractions as they think fit), and the shares so distributed shall be treated for all purposes as an increase of the nominal amount of the capital held in the Company by each such Shareholder and not as income."

By Ordinary Resolutions of the Company passed on 20th July, 1956 it was provided:—

I. "That the Authorised Share Capital of the Company be increased from £200,000 to £300,000 by the creation of 100,000 new shares of £1 each of no specified class which may be issued as ordinary shares, or with a preferential, guaranteed, deferred, or qualified right to dividends, or in the distribution of the assets of the Company, and with a special, or without any, right of voting."

II. "That upon and concurrently with, the said increase of Capital becoming effective:—

That out of the unissued Share Capital of the Company there shall be issued 60,000 of the shares of £1 each, of no specified class, in the form of 60,000 ordinary shares of £1 each; that the sum of £60,000 being part of the undivided profits of the Company standing at the credit of Company Reserves be capitalised and distributed among the shareholders on the footing that they become entitled thereto as Capital in pursuance of Article 137 of the Articles of Association of the Company, and that the said capital sum be applied on behalf of the persons who on the 20th day of July 1956 are the holders of the 140,000 issued ordinary shares of £1 each of the Company in payment in full for said 60,000 ordinary shares of £1 each of the Company to rank *pari passu* with said 140,000 ordinary shares already issued and to participate in all dividends declared after the date of this resolution and that the said 60,000 ordinary shares credited as fully paid be distributed among the holders of the said 140,000 ordinary shares in the proportion of three new ordinary shares for every seven ordinary shares at present held (the Directors having power to deal with fractions as they think fit) and the shares so distributed shall be treated for all purposes as an increase of the nominal amount of the capital held in the Company by each shareholder and not as income."

By an Ordinary Resolution of the Company passed on 18th July, 1958 it was provided:—

"That out of the unissued Share Capital of the Company there shall be issued 50,000 Shares of £1 each of no specified class, in the form of 50,000 Ordinary Shares of £1 each; that the sum of £50,000 being part of the undivided profits of the Company standing at the credit of Company Reserves be capitalised and distributed among the Shareholders on the footing that they become entitled thereto as capital in pursuance of Article 137 of the Articles of Association of the Company, and that the said capital sum be applied on behalf of the persons who on the eighteenth day of July 1958 are the holders of the 200,000 Issued Ordinary Shares of £1 each of the Company in payment in full for said 50,000 Ordinary Shares of £1 each of the Company to rank *pari passu* with said 200,000 Ordinary Shares already issued and to participate in all dividends which may be declared after the date of this Resolution, and that the said 50,000 Ordinary Shares credited as fully paid be distributed among the holders of the said 200,000 Ordinary Shares in the proportion of one new Ordinary Share for every Four Ordinary Shares at present held (the Directors having power to deal with fractions as they think fit), and the shares so distributed shall be treated for all purposes as an increase of the nominal amount of the capital held in the Company by each such Shareholder and not as income."

By an Ordinary Resolution of the Company passed on 22nd February 1963 it was provided:—

"That the capital of the Company be increased from £300,000 to £350,000 divided into 30,000 6 per cent. Cumulative Preference Shares of £1 each all of which are issued and fully paid, 277,000 Ordinary Shares of £1 each of which 250,000 are issued and fully paid, and 43,000 unclassified Shares of £1 each."

and by a Special Resolution of the Company passed on the same date it was provided:

"That, subject to the preceding Resolution being passed, with a view to the Company acquiring the 60,000 Ordinary Shares of £1 each of Bonnington Castings Limited being the whole of the issued Ordinary Shares of that Company not already held, the offer, dated 31st January 1963 made by Messrs. Davidson & Syme, W.S., Edinburgh, a copy of which accompanied the Notice convening this Meeting, be and the same is hereby approved and confirmed and that accordingly as and when the said offer becomes binding the Directors be authorised to issue in acquisition of the said shares 27,000 Ordinary Shares of £1 each in the capital of the Company not ranking for any dividend declared in respect of the year ended 30th September 1962 but otherwise ranking *pari passu* in all respects as from 1st October 1962 with the 250,000 Ordinary Shares of £1 each of the Company at present in issue."

THE NORTH BRITISH STEEL FOUNDRY LIMITED

SPECIAL RESOLUTION

(Passed 4th July 1969)

At an EXTRAORDINARY GENERAL MEETING of the above-named Company duly convened and held on Friday, the 4th day of July 1969, the following Resolution was duly passed as a Special Resolution:-

RESOLUTION

That the Articles of Association of the Company be amended as follows:-

That Article 13 is deleted and the following article substituted therefor viz:-

"The Directors may exercise at any time and from time to time all the powers of the Company to borrow money, and to obtain loans on the security of, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to take up, negotiate and undertake any guarantee for loans for the purposes of the Company, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party, and that at such rate of interest and upon such terms and with such provisions in favour of the lender or guarantor as the Directors may think fit; Provided that the aggregate amount for the time being remaining undischarged of moneys borrowed or raised or secured or guaranteed by the Directors as aforesaid is limited so that the aggregate amount at any time borrowed by the Company and all its subsidiary or its associated companies (excluding inter-company borrowing) shall not at any time without the previous sanction of an Ordinary Resolution of the Company and without the previous consent in writing of the holders of at least three fourths of the 6 per cent Cumulative Preference Shares or the previous sanction of an Extraordinary Resolution of the holders of such shares passed at a separate meeting of the holders of such shares convened and held in the manner prescribed in Article 3, exceed twice the aggregate amount paid upon the Issued Share Capital of the Company for the time being and of the sum of £200,000; but nevertheless no person dealing with the Company shall be concerned to see or inquire whether this limit is observed and no debt incurred or security given in excess of such amount shall be invalid or ineffectual unless the lender or recipient of the security had, at the time when the debt was incurred, or security given, express notice that the limit hereby imposed had been or would thereby be exceeded."

R. D. Cochrane,
Secretary.

No. 6624

THE NORTH BRITISH STEEL FOUNDRY LIMITED

Special Resolution

(Passed 28th December, 1967)

At an Extraordinary General Meeting of the above-named Company duly convened and held on Thursday, the 28th day of December, 1967 the following Resolution was duly passed as a Special Resolution :—

RESOLUTION

That the 43,000 unclassified Shares of £1 each in the capital of the Company be designated as Ordinary Shares of £1 each and the regulations contained in the printed document submitted to this Meeting and, for the purpose of identification, signed by the Chairman thereof, be and they are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.

D. S. RAMSAY,

Secretary.

THE COMPANIES ACTS, 1948 to 1967

COMPANY LIMITED BY SHARES

Articles of Association

OF

THE NORTH BRITISH STEEL FOUNDRY
LIMITED

PRELIMINARY.

1. The regulations contained in Part I of Table A in the First Schedule to the Companies Act, 1948 (as amended by the Companies Act, 1967), shall, except as hereinafter provided and so far as the same are not inconsistent with the provisions of these Articles, apply to the Company. References herein to regulations of Table A are to regulations in Part I of the said Table A. The regulations in any Table A applicable to the Company under any former enactment relating to companies shall not apply.

SHARE CAPITAL.

2. The share capital of the Company is £350,000 divided into 30,000 6 per cent. Cumulative Preference Shares of £1 each and 320,000 Ordinary Shares of £1 each. The rights attaching to these shares as regards income and capital are as follows :—

(A) INCOME.—The said Preference Shares shall be entitled to a fixed cumulative preferential dividend at the rate of 6 per cent. per annum to be paid, if and so far as in the opinion of the Directors the profits of the Company justify such payments, half-yearly on the 31st day of March and the 30th day of September in every year in respect of the half-years ending on those dates. Subject thereto and to any special rights attached to any class of shares hereafter issued, the profits of the Company available for dividend and resolved to be distributed shall be distributed among the holders of the Ordinary Shares rateably according to the amounts paid up or credited as paid up on such shares.

(B) CAPITAL.—On a return of assets on liquidation or otherwise the surplus assets of the Company remaining

after payment of its liabilities shall be applied first in repaying to the holders of the said Preference Shares the amounts paid up or credited as paid up on such shares together with a sum equal to any arrears or deficiency of the fixed dividend thereon to be calculated down to the date of the return of capital and to be payable irrespective of whether or not such dividend has been declared or earned, and the balance of such assets, subject to any special rights which may be attached to any class of shares hereafter issued, shall belong to and be distributed among the holders of the Ordinary Shares rateably according to the amounts paid up or credited as paid up on such shares held by them respectively.

No shares shall be issued ranking *pari passu* with the 6 per cent. Cumulative Preference Shares except with the approval of the holders thereof signified in accordance with the provisions of the next following Article.

3. Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (subject to the provisions of the Companies Act, 1948, and every other Act for the time being in force concerning companies and affecting the Company) be varied or abrogated, either 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 General Meeting of such holders (but not otherwise), and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company, or to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those of such holders who are present shall be a quorum) and that any holder of shares in the class present in person or by proxy may demand a poll and that such holders shall on a poll have one vote for every share of the class held by them respectively. The special rights conferred upon the holders of any shares or class of shares (other than the 6 per cent. Cumulative Preference Shares) shall not unless otherwise expressly provided by these Articles or by the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

4. All unissued shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper.

TRANSFER OF SHARES.

5. An instrument of transfer of fully paid shares need not be signed by or on behalf of the transferee. Regulation 22 of Table A shall be modified accordingly.

6. Subject to the provisions of regulation 24 of Table A any share may at any time be transferred to a person who is already a member of the Company. Save as aforesaid the Directors shall have an absolute right without assigning any reason therefor to refuse to register any transfer of a share (whether fully paid or not).

PROCEEDINGS AT GENERAL MEETINGS.

7. Two members present in person or by proxy shall be a quorum at any General Meeting. Regulation 53 of Table A shall be modified accordingly.

8. A poll may be demanded at any General Meeting by the Chairman, or by any member present in person or by proxy and entitled to vote. Regulation 58 of Table A shall be modified accordingly.

VOTES OF MEMBERS.

9. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member shall have one vote for every share of which he is the holder. Provided that the 6 per cent. Cumulative Preference Shares shall not entitle the holders to receive notice of or attend or vote at any General Meeting unless either :—

(A) At the date of the notice convening the meeting the dividend on such shares is six months in arrears and for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Article 2 in respect of the periods mentioned in that Article; or

(B) The business of the meeting includes the consideration of a resolution for winding up the Company or reducing its capital or any resolution abrogating or varying any of the special rights or privileges attached to such shares.

ARTICLE IV

10. Any person who is appointed or elected to any office or position of the Company shall not be eligible for re-election to such office or position for a period of one year after the expiration of his term of office. Regulation 7 of Table A shall not apply.

11. A Director shall not be required to attend any meeting of the Company by way of qualification. Regulation 7 of Table A shall not apply. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at any General Meeting.

12. The ordinary remuneration of the Directors shall be determined by an Ordinary Resolution of the Company and shall include such pecuniary advantages and perquisites as may be determined by the Directors as they may see fit, or failing agreement, by a majority of three Directors who shall hold office for one year only and shall be subject to such conditions as may be determined by the Directors. The Directors may pay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors and any committee of the Directors or General Meetings or otherwise in or about the business of the Company. Regulation 7 of Table A shall not apply.

13. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures, debenture stock and other securities, whether secured or unsecured, for any debt, liability or obligation of the Company or of any subsidiary company: Provided that the aggregate amount for the time being remaining undischarged of moneys borrowed by the Company and all its subsidiary companies (exclusive of moneys borrowed by any of such companies from any other of such companies) shall not at any time without the previous sanction of an Ordinary Resolution of the Company and without the written consent in writing of the holders of at least three-fourths of the £1 per cent Cumulative Preference Shares or the previous sanction of a Extraordinary Resolution of the holders of such shares passed at a separate meeting of the holders of such shares convened and held in the manner prescribed in Article 3 exceed twice the aggregate amount paid up on the Issued Share Capital of the Company: In nevertheless no person dealing with the Company shall be concerned to see or inquire whether this limit is observed and no debt incurred

or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the limit hereby imposed had been or would thereby be exceeded.

14. The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate the office of Chairman or Deputy Chairman) on such terms and for such period as they may determine. The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall *ipso facto* determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. The foregoing provision shall apply to the appointment of any Director to any other executive office if the contract or resolution under which he holds such office so provides but not otherwise.

15. Any Director who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

16. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director who may hold or have held any executive office or any office or place of profit under the Company or any of its subsidiaries and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

17. A Director may be interested, directly or indirectly, in any contract or arrangement with the Company or in which the Company is interested and (except as regards the office of Auditor) he may hold and be remunerated in respect of any office or place of profit under the Company and he or any firm of which he is a partner may act in a professional capacity for the Company and be remunerated therefor. In relation to any such matter a Director notwithstanding his interest may vote and be taken into account for the purposes of a quorum and may retain for his own absolute use and benefit all profits and advantages accruing to him. Regulation 84 of Table A shall be extended accordingly.

18. The Directors may dispense with the necessity of attendance by the members of the Directors or committees of the Directors. Regulation 80 of Table A shall be modified accordingly.

19. The office of a Director shall be vacated in any of the events specified in regulation 88 of Table A. The office of a Director shall also be vacated if he shall offer to resign and the Directors shall resolve to accept such offer.

20. The Directors shall not be subject to retirement by rotation and accordingly regulations 89 to 92 of Table A shall not apply and all other references in Table A to retirement by rotation shall be disregarded.

21. A resolution in writing signed by all the Directors for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more Directors. Regulation 106 of Table A shall not apply.

INDEMNITY.

22. Subject to the provisions of and so far as may be permitted by the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto. Regulation 136 of Table A shall be extended accordingly.