

SC9743

THE COMPANIES ACTS 1948 TO 1981

Public Company Limited by Shares

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ARTICLES OF ASSOCIATION

of

BANDT PLC



(Formerly Brown & Tawse Group PLC)

(Adopted by Special Resolution passed the 11th day of August, 1982)

(Amended by Special Resolution passed on 26th June, 1995)

(Incorporated and Registered in Scotland: Registered Number 9743)

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PRELIMINARY

1. The regulations contained in Table A in the First Schedule to the Companies Acts 1929 and 1948 or any other Act affecting the Company shall not apply to the Company:
2. In these presents, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof.

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Words

The Statutes

Meanings

The Companies Acts, 1948-1981, and every other Act or statutory instrument for the time being in force concerning limited

	companies and affecting the Company
Office	The Registered Office of the Company
Seal	The Common Seal of the Company
The United Kingdom	Great Britain and Northern Ireland
Month	Calendar Month
The Board or the Directors	The Directors of the Company in office for the time being or a quorum of the Directors present at a Board Meeting
These presents	These Articles of Association as originally formed, or as from time to time altered by Special Resolution
Year	Year from the 1st January to 31st December inclusive
In writing	Written or produced by any substitute for writing, or partly one and partly another

And the expressions "Debenture" and "Debenture Holder" shall include "Debenture Stock" and "Debenture Stockholder" and the expression "Secretary" shall include a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.

Any reference to any statutory provision shall be deemed to include any amendment or re-enactment thereof.

Save as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

The marginal notes are interested for convenience only and shall not affect the construction of these presents.

### **BUSINESS**

3. Any breach or kind of business, which the Company is either expressly or by implication authorised to undertake, may be undertaken by the Directors at such time or times as they may think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with the same.

#### 4. CAPITAL

- (1) The share capital of the Company upon the coming into effect of the alteration of the Articles of Association of the Company incorporating this new Article 4(1) is £16,054,776.40 dividend into 190,000,000 Ordinary Shares of 5p each, 129,690,528 deferred shares of 5p each and 70,250 7 per cent. Cumulative Preference Shares of £1 each.
- (2) The rights and restrictions attaching to the deferred shares of 5p each are as follows:-
  - (a) The deferred shares of 5p each shall not confer on the holders thereof any right to receive notice of or to attend or vote at any general meeting of the Company;
  - (b) The holders of deferred shares of 5p each shall not be entitled to the payment of any dividend or other distribution;
  - (c) On a return of capital, whether on a winding up or otherwise, the holders of deferred shares of 5p each shall be entitled to receive only the amount paid up or credited as paid up on each share but only after the holder of each ordinary share of 5p each shall have received the amount paid up or credited as paid up on such share together with a payment of £1,000,000 per ordinary share but the holders of deferred shares of 5p each shall not be entitled to participate further;
  - (d) The Company shall have irrevocable authority at any time after the creation or issue of deferred shares of 5p each to appoint any person to execute on behalf of the holders of such shares a transfer thereof and/or an agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Companies Act 1985, to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending any such transfer and/or purchase or cancellation to retain the certificates (if any) in respect thereof, provided also that the Company may, in accordance with the provisions of the Companies Act 1985, purchase all but not some only of the deferred shares of 5p each then in issue at a price not exceeding 1p for all the deferred shares so purchased.
  - (e) The rights attaching to the deferred shares of 5p each shall not be or be deemed to be varied, modified or abrogated by the creation, allotment or issue of any shares in the capital of the Company of any class (whether ranking *pari passu* with or in priority to them) or the passing of any resolution to cancel all or any of such deferred shares or anything done

pursuant thereto or any other act, matter or thing whatsoever save for any proposal to vary (otherwise than to the advantage of the holders of the deferred shares) the rights of the holders of the deferred shares to participate in a return of capital as set out in paragraph 4(2)(c) of this Article.

- (f) Notwithstanding any provision of these Articles, the Company shall not be required to issue any share certificates in respect of the deferred shares of 5p each.
- (3) The respective rights of the Ordinary Shares and the Preference Shares shall be as follows:
- (a) As regards income. The profits which the Company may determine to distribute in respect of any financial year or other period for which its accounts are made up shall be applied, in the first place, in paying to the holders of the Preference Shares a fixed cumulative preferential dividend at the rate of 7 per cent. per annum on the amounts paid or credited as paid up on the Preference Shares held by them respectively, and subject to any special rights which may be attached to any shares hereafter created or issued the balance of the said profits shall be distributed among the holders of the Ordinary Shares according to the amounts paid or credited as paid upon the Ordinary Shares held by them respectively.
  - (b) As regards capital. On a return of assets on liquidation or otherwise, the assets of the Company available for distribution amongst the Members shall be applied first in repaying to the holders of the Preference Shares the amounts paid 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) together also with a premium of 12½p per share, and subject to any special rights which may be attached to any shares hereafter created or issued the balance shall belong to and be distributed among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them respectively.
5. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares already issued (which special rights shall not be modified or abrogated except with such consent or sanction as is provided in the Company's Memorandum of Association and in the next following article) any share in the Company (whether forming part of the original capital or not) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Directors may from time to time determine, and subject to the provisions of the Statutes the Company may issue Shares which are or which at the option of Company are to be liable to be redeemed.

## MODIFICATION OF RIGHTS

6. Whenever the capital of the Company is divided into different classes of shares or groups the special rights attached to any class or group may subject to the provisions of the Company's Memorandum of Association (unless otherwise provided by the terms of issue of the shares of that class) either with the consent in writing of the holders of three-fourths of the issued shares of the class or group, or with the sanction of any extraordinary resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified 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 presents relating to general meetings 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 or group (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum), and that the holders of the shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively. The special rights conferred upon the holders of any shares or class or group of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the conditions of issue of such shares, be deemed to be modified by the creation or issue of further shares ranking *pari passu* therewith.

## SHARES

7. Subject to any restrictions contained in these Articles and to any direction to the contrary which may be given by the Company in General Meeting, the Directors have authority to allot, grant options over, or otherwise dispose of shares or rights to subscribe for, or to convert any security into shares other than shares so allotted to such persons (including any Director) and on such terms as they think fit, provided that no share shall be issued at a discount. The maximum amount of the relevant securities (as defined in Section 14(10) of the Companies Act 1980) that may be allotted by the Directors pursuant to this authority shall be an aggregate nominal amount of £3,850,000. This authority shall expire at the end of the period of five years commencing on the date of the adoption of these presents save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
8. In addition to all other powers of paying commissions, the Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by the Statutes. Provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by law and shall not exceed the rate of 10 per cent. of the price at which the shares in respect whereof the same is paid are issued, or an amount equivalent thereto. The Company (or the Directors on behalf of the Company) may also on any issue of shares pay such

brokerage as may be lawful.

9. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents otherwise provided or as by Statute required or under an order of court) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

### **CERTIFICATES**

10. Every person, except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate, whose name is entered as a member in the register of members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares, or upon payment of such sum, not exceeding £1 for every certificate after the first as the directors shall from time to time determine, to several certificates, each for one or more of his shares. Where a Member has transferred part of the shares comprised in his holding he shall be entitled to a certificate for the balance of his holding free of charge. Every certificate for shares shall be issued under the seal or an official seal kept under Section 2 of the Stock Exchange (Completion of Bargains) Act 1976 and shall specify the shares or securities to which it relates and the amount paid up thereon and (subject as hereinafter provided) shall bear the autographic signatures of at least one director and the secretary. Provided that the directors may by resolution determine that such signatures, or either of them, shall be dispensed with or shall be affixed by such other person as may be authorised by the Directors or some method or system of mechanical signature. Provided also that the Company shall not be bound to register more than four persons as the joint holders of any share (except in the case of executors or trustees of a deceased member) and in the case of a share held jointly by several persons, the company shall not be bound to issue more than one certificate therefor, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
11. If a share certificate be defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity as the Directors think fit.

### **LIEN**

12. Subject to the provisions of Section 38 of the Companies Act 1980 the Company shall have a lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such Member and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien

(if any) on a share shall extend to all dividends payable thereon. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this clause.

13. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been given to the holder for the time being of the share or the person entitled by reason of his death or bankruptcy to the share.
14. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable, and any residue shall be paid to the person entitled to the shares at the time of the sale. The purchaser shall be registered as the holder of the shares and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. Every Director of the Company is hereby authorised to execute on behalf of the registered holder a transfer of such shares to the purchaser.

#### **CALLS ON SHARES**

15. The Directors may from time to time make calls upon the Members in respect of any moneys (whether on account of the amount of the shares or by way of premium) unpaid on their shares, provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share shall exceed one fourth of the nominal amount of the share or be payable at less than fourteen days from the last call and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.
16. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed, and a call may be made payable by instalments.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 10 per cent. per annum, as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

19. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall for all the purposes of these presents be deemed to be a call duly made and payable, on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
20. The Directors may on the issue of shares differentiate between the holders in the amount of calls to be paid, and in the times of payment.
21. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may pay interest at such rate as the Member paying such sum and the Directors shall agree.

#### **TRANSFER OF SHARES**

22. All transfers of shares may be effected by transfer in writing in the usual common form, or in any other form approved by the Directors.
23. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of Members in respect thereof.
24. The Directors may, in their absolute discretion, and without assigning any reason therefor, decline to register any transfer of shares (not being fully paid shares) to a person of whom they shall not approve, and they may also decline to register any transfer of shares upon which the Company has a lien, provided that such power shall not be used in such manner as to prevent dealings in the shares from taking place on an open and proper basis. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
25. The Directors may also decline to recognise any instrument of transfer, unless the instrument of transfer is deposited at the office or such place as the Directors may appoint accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.



26. The register of transfers may be closed at such times and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any year.
27. Subject to Section 14 of the Companies Act 1980 and Article 7 above nothing herein contained shall preclude the Directors from allowing the allotment of any share to be renounced by the allottee in favour of some other person.
28. The Company shall be entitled to destroy all instruments of transfer of shares and all other documents on the faith of which entries are made in the Register of Members at any time after the expiration of six years from the date of registration thereof and all divided mandates and notifications of change of name or address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof and it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:-
- (i) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
  - (ii) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
  - (iii) References herein to the destruction of any document include references to the disposal thereof in any manner.

#### **TRANSMISSION OF SHARES**

29. In the case of the death of a Member the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
30. Subject to any other provisions of these presents, any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may from time to time be required by the Directors,

and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

31. Subject to any other provisions of these presents, if the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such share. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.
32. Subject to any other provisions of these presents, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member may at the discretion of the Directors receive and give a discharge for any dividends or other moneys becoming payable in respect of the share but shall not be entitled to receive notices of or to attend or vote at meetings of the Company or save as aforesaid to any of the rights or privileges of a Member until he shall have become a Member in respect of the share, and should he fail either to transfer the share or to elect to be registered as a Member in respect thereof within 60 days of being required so to do by the Directors, he shall in the case of shares which are fully paid up be deemed to have elected to be registered as a Member in respect thereof and may be registered accordingly.

#### **FORFEITURE OF SHARES**

33. If a Member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued.
34. The notice shall name a further day (not being less than seven days from the date of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed the shares on which the call was made will be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter before payment of all calls and interest and expenses due in respect thereof has been made be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before forfeiture.
36. A forfeited share shall become the property of the Company and may be sold, allotted or otherwise disposed of, either to the person, who was before forfeiture the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner

as the Directors shall think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit subject always to the provisions of Section 37 of the Companies Act 1980.

37. A shareholder whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with interest thereon from the date of forfeiture until payment at such rate not exceeding 10 per cent. per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture.
38. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the relevant share certificate under seal delivered to a purchase or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share, and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share. Every Director is hereby authorised to execute on behalf of the shareholder whose share is forfeited a proper instrument of transfer of such share.
39. The provisions of these presents as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

### STOCK

40. The Company may by ordinary resolution, convert any paid-up shares into stock, and may in like manner re-convert any stock into paid-up shares of any denomination.
41. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but the Directors may, if they think fit, from time to time fix the minimum amount of stock which is transferable, in which case no stock shall be transferable except in sums of that minimum amount or multiples thereof, provided that such minimum amount shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.

42. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding-up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in dividends and in assets on a winding-up) shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privilege or advantage.
43. All such of the provisions of these presents (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

### SHARE WARRANTS

44. The Directors with respect to fully paid up shares may issue warrants (hereinafter called "share warrants") stating that the bearer is entitled to the shares therein specified, and may provide by coupons or otherwise of the payment of future dividends on the shares included in such warrants. The Directors may determine and from time to time vary the conditions upon which share warrants shall be issued and upon which a new share warrant or coupon shall be issued on the place of one worn out, defaced or destroyed, but no new share warrant or coupon shall be issued to replace one that has been lost unless the Company is satisfied beyond reasonable doubt that the original has been destroyed. The Directors may also determine and from time to time vary the conditions upon which the bearer of a share warrant shall be entitled to receive notices of and attend and vote at General Meetings or to join in requisitioning General Meetings, and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares therein specified. Subject to such conditions and to these presents the bearer of a share warrant shall be a Member to the full extent. The holder of a share warrant shall hold such warrant subject to the conditions for the time being in force with regard to share warrants whether made before or after the issue of such warrant.

### INCREASE OF CAPITAL

45. The Company in general meeting may from time to time by ordinary resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
46. (a) Subject to Article 7 above and to the provisions of Sections 17 and 18 of the Companies Act 1980 the Board be and it is hereby empowered pursuant to the said Section 18 to allot equity securities (within the meaning of the said Section 17) pursuant to the authority contained in Article 7 above as is sub-section (1) of the said Section 17 did not apply to any such allotment and
- (b) The power hereby granted to the Board shall be limited;
- (i) to the allotment of equity securities in connection with a rights issue in

favour of Ordinary shareholders where the equity securities respectively attributable to the interests of all Ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary shares held by them; and

- (ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £325,000;

and shall expire at the conclusion of the next Annual General Meeting of the Company save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

- 47. The new shares shall be subject to the provisions of these presents with reference to payment of calls, lien, transfer, transmission, forfeiture and otherwise, and unless otherwise provided in accordance with the powers contained in these presents the new shares shall be Ordinary Shares.

#### **PURCHASE OF OWN SHARES**

- 48. Subject to, and in accordance with, the provisions of the Companies Act 1981, the Company may purchase its own shares (including any redeemable shares).

#### **ALTERATION OF CAPITAL**

- 49. The Company in general meeting may:-

- (A) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares.
- (B) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled subject to the provisions of Section 37 of the Companies Act 1980.
- (C) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

- (D) Reduce its capital or any capital redemption reserve fund or share premium account in any manner authorised by the Statutes.

The powers conferred by this Article may be exercised by Ordinary Resolution except in cases where the Statutes require a Special Resolution in which cases the exercise thereof shall be by Special Resolution.

### **GENERAL MEETINGS**

50. A General Meeting shall be held in each year at such time (within a period of not more than fifteen months after the holding of the last preceding general meeting) and place as may be determined by the Directors. The general meetings referred to in this Article shall be called annual general meetings. All general meetings other than annual general meetings shall be called extraordinary general meetings.
51. The Directors may call an extraordinary general meeting whenever they think fit, and shall, on requisition in accordance with the Statutes proceed to convene an extraordinary general meeting as required by the Statutes.

### **NOTICE OF GENERAL MEETINGS**

52. In the case of the Annual General Meeting or of a meeting convened to pass a Special Resolution twenty-one clear days' notice and in other cases fourteen days' notice at the least (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) specifying the place, the day, and the hour of meeting (and in the case of an Annual General Meeting specifying the meeting as such) and stating with reasonable prominence that a Member entitled to attend and vote thereat is entitled to appoint a proxy, who need not also be a Member, to attend and vote instead of him, and in case of special business, the general nature of such business (and in the case of a meeting convened for passing a special or extraordinary resolution, the intention to propose such resolution as a special or extraordinary resolution as the case may be) shall be given in manner hereinafter mentioned to the Auditors for the time being of the Company and to such Members as are, under the provisions herein contained, entitled to receive notices from the Company. With the consent in writing of all or such less number as is required by the Statutes, of the Members entitled to attend and vote thereat, a meeting may be convened by a shorter notice and in such manner as such Members may think fit.
53. The accidental omission to give notice to, or the non-receipt of notice by any Member, shall not invalidate the proceedings at any general meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

54. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the

exception of declaring dividends, the reading and consideration and adoption of the accounts and balance sheet and the ordinary reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the re-election of Directors retiring, the election of Directors in the place of those retiring, the voting of remuneration or extra remuneration to the Directors and the appointment of and the fixing of the remuneration of the Auditors.

55. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two Members present in person or by proxy shall be a quorum for all purposes.
56. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors may determine.
57. The Chairman of the Board of Directors shall preside as Chairman at every general meeting of the Company. If at any meeting the Chairman be not present within five minutes after the time appointed for holding the meeting, or be unwilling to act as Chairman, the Members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose some Member present to be Chairman.
58. The Chairman may, with the consent of any meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
59. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by a member or members entitled to vote and holding or representing by proxy at least one-tenth part of the total voting rights of all the Members having the right to vote at the meeting or by a Member or Members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. Unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

60. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.
61. If a poll is duly demanded, it shall be taken at such time and in such manner as the Chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may in the event of a poll appoint scrutineers and may adjourn the meeting to some place and time fixed by him for declaring the result of the poll. The demand for a poll may with the consent of the Chairman be withdrawn.
62. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which poll is demanded shall be entitled to a second or casting vote.
63. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such other time and place as the Chairman directs not being more than thirty days from the date of the meeting. No notice need be given of a poll not taken immediately.
64. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

#### **VOTES OF MEMBERS**

65. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these presents, on a show of hands every Member, who (being an individual) is present in person or (being a corporation) is present by a representative or proxy not being himself a Member, shall have one vote. On a poll every Member who is present in person or by proxy shall have four votes for every £1 in nominal amount of the Preference Shares and one vote for every 5p in nominal amount of the Ordinary Shares of which he is the holder. Provided always that the 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 the Preference Shares is six months in arrear and so that for this purpose the dividend on the Preference Shares shall be deemed to be payable half-yearly on the Thirtieth day of April and the Thirty-First day of October in every year, or
  - (b) The business of the meeting includes the consideration of a Resolution directly varying the rights and privileges attached to the Preference Shares, or



- (c) The business of the meeting includes the consideration of a Resolution for winding up the Company, or
  - (d) The business of the meeting includes the consideration of a Resolution to increase the borrowing powers of the Directors beyond the limit from time to time imposed by these presents.
66. In the case of joint holdings, only the person whose name stands first in the Register of Members in respect of the joint holding shall be entitled to attend or vote, whether in person or by proxy, at General Meetings, but any one of such joint holders may be appointed the proxy of the person so entitled to attend and vote in respect of the joint holding.
67. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than three days before the time for holding the meeting.
68. No Member shall be entitled to vote at any general meeting either personally or by proxy, or as proxy for another Member or to exercise any privilege as a Member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
69. No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
70. On a poll votes may be given either personally or by proxy.
71. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. A proxy need not be a member of the Company.
72. Any corporation holding shares conferring the right to vote may by resolution of its Directors or other governing body authorise any of its officials or any other person to act as its representative at any meeting of the Company or at any meeting of holders of any class of shares of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the Corporation which he represents as if he had been an individual Member of the Company.

73. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the registered office of the Company or at such other place as may be nominated by the Board, and in default the instrument of proxy shall not be treated as valid.
74. An instrument of proxy may be in any form which the Directors shall approve, provided it shall be so worded as to enable the proxy to vote either for or against the resolutions to be proposed at the meeting at which the proxy is to be used. The proxy shall be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the Member giving the proxy. Proxies need not be witnessed.
75. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
76. (A) Where notice is served by the Company under section 212 of the Companies Act 1985 (a "Section 212 notice") on a Member, or another person appearing to be interested in shares held by that Member and the Member or other person has failed in relation to any shares ("the default shares", which expression includes any shares issued after the date of the Section 212 notice in respect of those shares) to give the Company the information required within 14 days after service of the Section 212 notice, the Company may, if the Board so decides, serve on such member or other person a notice ("a restriction notice") directing that the default shares shall be subject to all or some of the following sanctions which shall apply with effect from the date of the restriction notice:
- (i) the Member shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate general meeting of the holders of a class of shares or on a poll, or to exercise other rights conferred by membership in relation to the meeting or poll; and
  - (ii) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
    - (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member is not entitled to elect, pursuant to Article 116(B), to receive shares instead of a dividend; and
    - (b) no transfer of any share held by the Member shall be registered unless:

- (1) either the transfer is an excepted transfer (as defined in Article 76(D)(iv); or
  - (2) the member is not himself in default in supplying the information required and he proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject to the transfer.
- (B) The sanctions specified in the restriction notice shall cease to apply on the earlier of:
  - (i) receipt of an excepted transfer, but only in relation to the shares transferred; and/or
  - (ii) receipt by the Company, in a form satisfactory to the Board, of all the information required by the Section 212 notice; and/or
  - (iii) if the Board in its absolute discretion so decides.
- (C) Where, on the basis of information obtained from a Member in respect of a share held by him, the Company issues a Section 212 notice to another person, it shall at the same time send a copy of the Section 212 notice to the Member, but the accidental omission to do so, or the non-receipt by the member of the copy, does not invalidate or otherwise affect the application of paragraph (A).
- (D) For the purposes of this Article 76:
  - (i) a person, other than the Member holding a share, is treated as appearing to be interested in that share if the Member has informed the Company that the person is or may be interested, or if the Company (after taking account of information obtained from the member or, pursuant to a Section 212 notice, from anyone else) knows or has reasonable cause to believe that the person is or may be so interested;
  - (ii) "interested" is contained as it is for the purpose of Section 212 of the Companies Act 1985;
  - (iii) reference to a person having failed to give the Company the information required by a Section 212 notice, or being in default in supplying such information, includes (a) reference to his having failed or refused to give all or any part of it and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
  - (iv) an "excepted transfer" means, in relation to shares held by a Member a transfer complying with the conditions specified in Articles 22, 23, 24

and 25:

- (a) made pursuant to acceptance of a take-over offer for the Company (within the meaning of Section 428(1) of the Companies Act 1985); or
  - (b) made in consequence of a sale made through a recognised investment exchange (as defined in the Financial Services Act 1986) or another stock exchange outside the United Kingdom on which shares in the capital of the Company are normally traded; or
  - (c) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the Member and with any other person appearing to be interested in the shares.
- (E) The provisions of this Article are in addition and without prejudice to the provisions of the Statutes.

## **DIRECTORS**

77. Unless and until otherwise determined by the Company in general meeting, the Directors shall not be less than two or more than nine in number.
78. Unless otherwise decided by the Company by ordinary resolution, the Company shall pay to the Directors (but not alternate Directors) for their services as Directors such amount of aggregate fees as the Board decides not exceeding £100,000 per annum or such larger amount as the Company may by ordinary resolution decide. The aggregate fees shall be divided among the Directors in such proportions as the Board decides or, if no decision is made, equally. A fee payable to a Director pursuant to this Article is distinct from any salary, remuneration or other amount payable to him pursuant to the other provisions of these Articles. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the company or in connection with the business of the company.
79. Any Director who at the request of the Board performs special services or goes or resides abroad for any purposes of the Company shall (unless otherwise expressly resolved by the Company in General Meeting) receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.
80. No shareholding qualification for Directors shall be required.

81. The office of a Director shall be vacated in any of the following events, namely:-

- (A) If (not being an Executive Director holding office under Article 89 for a fixed term) he resigns his office by writing under his hand left at the office.
- (B) If he have a receiving order made against him or compound with his creditors.
- (C) If he becomes of unsound mind.
- (D) If he be absent from meetings of the Directors for six months without leave, and the Directors resolve that his office be vacated.
- (E) If he becomes prohibited from being a director by reason of any order made under Section 188 of the Companies Act 1948 or Section 28 of the Companies Act 1967.
- (F) If he ceases to be a director by virtue of Sections 182-185 of the Companies Act 1948.

82. (A) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it think fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is

interested (including the arrangement or variation of the terms thereof, or the termination thereof).

- (E) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director owns 1 per cent. or more.
- (F) Subject to the Statutes and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (G) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists or in any other case at the first meeting of the Board after he knows that he is or has become so interested. A general notice to the Board given by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such company or firm shall be sufficient declaration of interest under this Article in relation to any contract or arrangement so made; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- (H) Save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he has an interest which (together with any interest of any person connected with him) is a material interest (other than the division of remuneration as referred to in Article 78), and if he shall do so his

vote shall not be counted, but this prohibition shall not apply to any of the following matters namely:-

- (i) any contract or arrangement for giving to such Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company;
- (ii) any contract or arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured in whole or in part;
- (iii) any contract or arrangement by a Director to subscribe for shares, debentures or other securities of the Company issued or to be issued pursuant to any offer or invitation to Members or debenture holders or the Company or any class thereof or to the public or any section thereof, in which the Director is or may be entitled to participate as holder of shares, debentures or other securities or to underwrite any shares, debentures or other securities of the Company;
- (iv) any contract or arrangement in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- (v) any contract or arrangement concerning any other company (not being a company in which the Director is the holder or beneficially interested in 1 per cent. or more of the capital of such company and for the purpose of this sub-paragraph (v) a Director is deemed to have an interest in one per cent. or more of the capital of such company if for the purposes of Part VI of the Companies Act 1985 he would be deemed to have such an interest) in which he is interested directly or indirectly whether as an officer, shareholder, creditor or otherwise howsoever;
- (vi) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme which relates both to Directors and employees of the Company or of any of its subsidiaries and does not accord to any Director as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates;
- (vii) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of any scheme for enabling employees, including full-time executive directors of the Company and/or any of its subsidiaries to acquire shares in the Company which has been approved by the Inland Revenue or is conditional upon such approval or does not award the Director any privilege or benefit not awarded to the employees

to whom such scheme relates.

- (viii) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy under which any Director may benefit.
- (I) Where a company in which a Director holds 1 per cent. or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- (J) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or to be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall be counted in the quorum but shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

### **POWERS OF DIRECTORS**

- 83. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these presents, to the provisions of the Statutes, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by extraordinary resolution of the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.
- 84. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies, and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidizing any such subsidiary company or guaranteeing its contracts, obligations or liabilities, and they



may appoint, remove and re-appoint any persons (whether members of their own body or not) to act as Directors, Managing Directors or Managers of any such subsidiary company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any persons so appointed, and any Directors of this Company may retain any remuneration so payable to them.

85. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and which such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
86. (i) The Directors may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following sub-paragraph shall include any Director appointed to any office or place of profit or to exercise special powers or authorities) and ex-employees of the Company and their families or dependants or representatives or any class or classes of such persons.
- (ii) The Directors, subject to any conditions which they in their absolute discretion think fit, may pay, enter into agreements to pay or make grants of pensions or other benefits to employees and ex-employees and their families or dependants or representatives or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their families or dependants are or may become entitled under any such scheme or fund as mentioned in the preceding sub-paragraph. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.
87. 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 outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to the subsidiary companies so as to ensure that the aggregate amount for the time being remaining undischarged of moneys so borrowed or secured by the Group (excluding intragroup borrowings) shall

not at any time, without the previous sanction of the Company in General Meeting, exceed an amount equal to one and a half times the aggregate of:

- (i) the nominal amount of the capital of the Company for the time being issued and paid up or credited as paid up; and
- (ii) the amounts standing to the credit of the consolidated capital and revenue reserves of the Company and its subsidiaries (including share premium account, capital redemption reserve fund and profit and loss account) all as shown by the latest audited consolidated balance sheet of the Company and its subsidiaries subject to any adjustments the Directors consider appropriate in respect of variations in such amounts since the date of the latest audited consolidated balance sheet of the Company and its subsidiaries,

but no debt incurred or security given in respect of moneys borrowed in excess of the limit hereby imposed shall be invalid or ineffectual except in the case of express notice at the time when the debt was incurred or security given that the limit hereby imposed had been exceeded; provided always that amounts for the time being outstanding in respect of Bills of Exchange accepted by or on behalf of the Company or a subsidiary company for goods in the ordinary course of trade shall be excluded in computing the total of moneys borrowed as aforesaid but that the issue of debentures shall be deemed to constitute borrowings notwithstanding the same may be issued in whole or in part for a consideration other than cash. For the purposes of this Articles the Group means the Company and its subsidiaries.

88. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, for otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

#### **EXECUTIVE DIRECTORS**

89. The Directors may from time to time appoint one or more of their number to an executive office including the offices of Chairman, Vice-Chairman, Managing Director, Joint Managing Director, Assistant Managing Director or Manager or any other salaried office for such period and on such terms as they think fit. Without prejudice to any claim a Director may have for damages for breach of any contract of service between him and the Company the appointment of any Director hereunder shall be subject to determination ipso facto if he ceases from any cause to be a Director, or (subject to the terms of any contract between him and the Company) if the Directors resolve that his term of office as an Executive Director be determined.
90. A Director holding office pursuant to Article 89 shall receive such remuneration (whether by way of salary, commission, or participation in profits, or partly in one way and partly in another) as the Directors may determine and such remuneration shall, unless otherwise agreed, be additional to such remuneration (if any) as if from time to

time payable to him as a Director and such Director shall be a Director for the purposes of and subject to the provisions of Section 47 of the Companies Act 1980.

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

#### **ROTATION OF DIRECTORS**

92. At the annual general meeting in every year, one of the Directors (other than the Chairman and Managing Directors) for the time being shall retire from office. A Director retiring at a meeting shall retain office until the dissolution of the meeting. A Director retiring in accordance with the Statutes shall not be taken into account in determining the rotation of retirement of other Directors.
93. The Director to retire in every year shall be the one who has been longest in office since his last election or appointment but as between two or more who have been in office an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. A retiring Director shall be eligible for re-election.
94. The Company at the meeting at which a Director retires in manner aforesaid shall fill up the vacated office by electing a person thereto, and in default the retiring Director shall be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill up such vacated office, or a resolution for the re-election of such Director being put to the meeting is not carried.
95. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting, unless not less than seven nor more than twenty-one days before the date appointed for the meeting there shall have been left at the Office notice in writing, signed by a Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.
96. The Company in general meeting may from time to time increase or reduce the number of Directors, and may also determine in what rotation such increased or reduced number is to go out of office.
97. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these presents. Any Director so appointed shall hold office only until the next following annual general meeting and

shall then be eligible for re-election. Any Director who retires under this Article shall not be taken into account in determining the Director who is to retire by rotation at such meeting.

98. The Company may by ordinary resolution of which special notice has been given in accordance with Section 142 of the Companies Act 1948 remove any Director before the expiration of his period of office and may by an ordinary resolution appoint another person in his stead (without prejudice to the powers of the Directors under Article 97). The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

#### **PROCEEDINGS OF DIRECTORS**

99. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom.
100. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be two.
101. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in the Board, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these presents, the continuing Directors or Director may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two shareholders may summon a general meeting of shareholders for the purpose of appointing Directors.
102. If the Directors shall not have appointed any Member of their body to the office of Chairman, or Vice-Chairman pursuant to Article 89, or if at any meeting neither the Chairman nor Vice-Chairman be present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
103. A resolution in writing, signed by all or a majority of 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 like form each signed by one or more Directors.
104. A meeting of the Directors for the time being, at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the

Directors.

105. The Directors may delegate any of their powers to committees consisting of such number of members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform so any regulations that may be imposed on them by the Directors.
106. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding article.
107. All actions done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director, or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

#### SECRETARY

108. The Secretary shall be appointed by the Directors.

#### THE SEAL

109. (A) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board and shall be so affixed in the presence of at least one Director and the Secretary or another Director or some other person approved by the Board, both of whom shall sign every instrument to which the seal is so affixed except as provided in Article 10 in their presence.
- (B) The Company may exercise all powers conferred by the Statutes with regard to having official seals and such power shall be vested in the Board. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.
- (C) The Board may resolve that the Company may not have a seal.
- (D) Where the Statutes so permit, any instrument or document signed by one director and the secretary or by two directors and expressed (using any form of words) to be executed by the Company shall have the same effect as if executed under the seal provided that no instrument or document which makes it clear on its fact that it is intended to have effect as a deed shall be so signed without the authority of the Directors or by a duly authorised committee thereof. Any such instrument or document to be executed by the Company may have signatures

affixed autographically.

- (E) Any instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.

#### **AUTHENTICATION OF DOCUMENTS**

110. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts: and where any books, records, documents or accounts are elsewhere than at the Company's head office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by a Directors as aforesaid.

#### **ALTERNATIVE DIRECTORS**

111. Any Director may at any time appoint any person (approved by the Board) to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office. An alternate Director so appointed shall not be entitled to receive any remuneration from the Company in respect of such appointment.

An alternate Director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served upon him) be entitled to receive notices of all meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointer as a Director in the absence of such appointer. When acting also as a Director or as an alternate Director for more than one Director, an alternate Director shall have one vote for every Director he represents, in addition to his own, if himself a Director and when so acting, where the quorum exceeds two, shall be considered as two Directors for the purpose of making a quorum.

An alternate Director shall cease to be an alternate Director if his appointer ceases for any reason to be a Director, provided that if any Director retires by rotation but is re-elected by the meeting at which such retirement takes effect, any appointment made by him pursuant to this clause which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired.

All appointments and removals of alternate Directors shall be effected by notice in writing by the Director making or revoking such appointment given to the Company at its Registered Office or at a duly convened and held Board Meeting.

#### **DIVIDENDS**

112. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of Part III of the Companies Act 1980 which apply to the Company.
113. No dividend shall be payable except out of the profits of the Company (including profits set aside to any Reserve Fund in terms of Article 124 hereof), or in excess of the amount recommended by the Directors.
114. All dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
115. The Directors may if they think fit from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company, and provided that the Directors act bona fide they shall not incur any responsibility to the holders of any shares for any damage that they may suffer by reason of the payment of an interim dividend on any shares. The Directors may also pay half yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of opinion that the profits justify the payment.
116. (A) Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.
- (B) Subject to the provisions of the Statutes, the Directors may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares (subject to such exclusions or other arrangements as the Directors may consider necessary or expedient in relation to any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange) the right to elect to receive new ordinary shares credited as fully paid instead of cash, in respect of all or part of any dividend. The

following provisions shall apply:-

- (a) the said ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period;
- (b) the basis of allotment to each holder shall be such number of ordinary shares credited as fully paid as have a value as nearly as possible equal to (but not greater than) the amount of the dividend (disregarding any tax credit) which he has elected to forego. For this purpose the "value" of an ordinary share shall be deemed to be whichever is the greater of its nominal value and the average of the middle market quotations of an ordinary share on the London Stock Exchange as derived from the Daily Official List on the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days or in such other manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the Auditor as to the amount of the value in respect of any dividend shall be conclusive evidence of that amount;
- (c) no fraction of an ordinary share shall be allotted and if any holder would otherwise be entitled to fractions of a share, the Directors may deal with the fractions as they think fit (without limitation) provisions whereby, in whole or in part, the benefit thereof accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder or fully paid ordinary shares;
- (d) the Directors, after determining the basis of allotment, shall notify the holders of ordinary shares in writing of the right of election offered to them in exercising the right of election;
- (e) the net cash amount of the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be paid on ordinary shares in respect of which an election has been duly made (the "elected shares") and instead additional ordinary shares shall be allotted to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose the Directors may (i) apply the said net cash amount in subscribing, in full or by instalments, for such number of unissued ordinary shares calculated on the basis of allotment determined as aforesaid; or (ii) capitalise, out of any amount standing to the credit of any reserves or fund (including the profit and loss account, any share premium account or capital redemption reserve), whether or not the same is available for distribution, as the Directors may determine, a sum equal to the aggregate nominal amount of the



additional ordinary shares to be allotted on such basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected shares on such basis; or (iii) give effect to any such election in such manner as the Directors in their absolute discretion may determine;

- (f) the additional ordinary shares so allotted shall be allotted as of the record date for the dividend in respect of which the right of election has been offered and shall rank *pari passu* in all respects and form one uniform class with the fully paid ordinary shares then in issue except that they will not rank for any dividend or other distribution or other entitlement which has been declared, made, paid or is payable by reference to such record date."
- 117. The Directors may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 118. No unpaid dividend, bonus or interest shall bear interest as against the Company.
- 119. The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien permitted by the Statutes and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 120. The Directors may retain the dividends and bonuses payable upon shares of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.
- 121. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or by direct bank transfer to such bank account as such Member or person entitled thereto may direct, and in case of joint holders to any one of such joint holders or to such person and such address or such bank account as the holder or joint holders may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to such persons as the holder or joint holders may direct and payment of the cheque if purporting to be endorsed shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
- 122. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable or in respect of the share.
- 123. All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and all dividends unclaimed for twelve years after the date the dividend became due for payment may be forfeited by the Directors

for the benefit of the Company.

## **RESERVES**

124. The Directors may before recommending any dividends, whether preferential or otherwise, carry to reserve out of the profits of the Company such sums as they think proper and may also carry to reserve any premiums received upon the issue of shares, securities or obligations of the Company. The Directors shall also have power to carry to reserve any surplus realised on the sale of any fixed assets of the Company, or arising from a revaluation of the Company's properties or assets. Subject to Part III of the Companies Act 1980 all sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends, or for repairing, improving or maintaining any of the property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry over any profits which they may think it not prudent to divide. The Directors may establish a reserve to be called the Capital Reserve, which shall not be available for dividend, but which shall be available to meet depreciation or contingencies or for repairing, improving, or maintaining any property of the Company or for such other purposes as the Directors may in their discretion think conducive to the interests of the Company, and the Directors may invest the sums standing the Capital Reserve in such investments as they think fit, other than shares or stock of the Company, and may from time to time deal with or vary such investments and dispose of all or any part thereof with full power to employ the Capital Reserve in the business of the Company, and that without keeping it separate from the other assets and with power to divide the said Capital Reserve into separate accounts or funds if they think fit.

## **CAPITALISATION OF PROFITS AND RESERVES**

125. Subject to Section 14 and Part III of the Companies Act 1980, the Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's Reserve Accounts or to the credit of the Profit and Loss Account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid or any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid

up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such Resolution. Provided that no new Shares shall be issued to rank in priority to the existing Preference Shares except with the consent or sanction of the Holders of the said Preference Shares in accordance with Article 6 hereof.

126. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and subject to Section 14 of the Companies Act 1980 and Article 7 above all allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing Shares, and any agreement made under such authority shall be effective and binding on all such Members.
127. Subject to Part III of the Companies Act 1980, the Company in General Meeting may from time to time and at any time pass a resolution to the effect that any sum or sums arising from the realisation of any capital assets of the Company and representing an amount in excess of the amount of assets of the Company and representing an amount in excess of the amount of assets required to answer the whole of the liabilities of the Company (treating for this purpose the paid up share capital of the Company as a liability) be distributed as capital amongst the Members of the Company who would have been entitled thereto if the same had been distributed by way of dividend out of the profits arising from the business of the Company and in the same proportions and manner, and such resolution shall be effective and the Directors shall distribute any sum so resolved to be distributed as aforesaid in accordance with such resolution. Any such resolution as aforesaid may direct the distribution amongst the Members of any investments or securities (not being investments or securities involving a liability in respect of unpaid capital) in which the sum or sums aforesaid or any part thereof may from the time being be invested in lieu of the same being distributed in cash, and the Directors may apportion and determine the value of any such investments and securities for the purposes of such distribution, and any such apportionment or determination shall be binding upon the shareholders entitled to share in such distribution.

#### **DISCOVERY AND SECRECY**

128. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the

business of the Company, and which in the opinion of the Directors it will be inexpedient in the interests of the Members of the Company to communicate to the public.

## ACCOUNTS

129. The Directors shall cause true accounts to be kept:-
- (A) of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place;
  - (B) of all sales and purchases of goods by the Company; and
  - (C) of the assets and liabilities of the Company.
130. The books of account shall be kept at the office, or at such other place as the Directors think fit, and shall always be open to the inspection of the Directors. No Member (other than as Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
131. The Directors shall not be bound, unless expressly instructed so to do by an Extraordinary Resolution of the Company in General Meeting to publish any list of particulars of the securities or investments held by the Company or to give any information with reference to the same to any shareholder.
132. Once at least in every year the Directors shall lay before the Company in General Meeting a Profit and Loss Account giving a true and fair view of the profit or loss of the Company for the financial year to which it relates and a Balance Sheet giving a true and fair view of the state of affairs of the Company as at the date at which it is made out and containing a general summary of the capital, the assets and the liabilities of the Company arranged under suitable heads, both made up to a date not more than 9 months before the meeting. If the Company shall be a holding Company as defined by the Statutes there shall with the said Profit and Loss Account and Balance Sheet (except in so far as the Statutes otherwise permit) be laid before the Company in General Meeting a Consolidated Balance Sheet dealing with the state of affairs at the end of the Company's financial year of the company and its then subsidiaries and a Consolidated Profit and Loss Account dealing with the profit or loss for the Company's financial year of the Company and its then subsidiaries. The Directors shall in preparing every such Profit and Loss Account and Balance Sheet and Consolidated Profit and Loss Account and Consolidated Balance Sheet have regard to the provisions of the Statutes applicable thereto.
133. Every such Balance Sheet, Profit and Loss Account, Consolidated Balance Sheet and Consolidated Profit and Loss Account shall be signed in such manner as may be required by the Statutes. There shall be attached to the Balance Sheet a report by the

Directors with respect to such matters as are by the Statutes required to be dealt with therein.

134. A copy of the report and of the Auditor's Report, accompanied by the Balance Sheet (including every document required by law to be annexed or attached thereto), and Profit and Loss Account, Consolidated Balance Sheet and Consolidated Profit and Loss Account, shall at least twenty-one days previous to the Annual General Meeting, be delivered or sent by post to the registered address of every Member and every holder of debentures or debenture stock of the Company and if a listing on The Stock Exchange for all or any shares or securities of the Company shall be granted, the required number of copies of each of these documents shall at the same time be forwarded to the Quotations Department, The Stock Exchange, London.

#### AUDIT

135. The Company shall at each general meeting, appoint an Auditor or Auditors to hold office until the next ensuing annual general meeting. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any Member.
136. No Director or other officer of the Company nor any person who is a partner of or in the employment of an officer of the Company, nor any corporation, shall be capable of being appointed Auditor of the Company. The duties of the Auditor or Auditors shall be regulated in accordance with the Statutes.

#### NOTICES

137. Any notice or document may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the register of Members. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the register of Members, and notice so given shall be sufficient notice to all the joint holders.
138. Any Member described in the register of Members by an address not within the United Kingdom who shall, from time to time give to the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such address, but save as aforesaid no Member other than a registered Member described in the register of Members by an address within the United Kingdom shall be entitled to receive any notice from the Company.
139. The Directors may from time to time require any holder of a share warrant who gives or has given an address as in the last Article mentioned to produce his warrant and to satisfy them that he is or is still the holder of a share warrant.

140. Any notice or other document (including Share and Stock Certificates), if served by post, shall be deemed to have been served 24 hours after the letter containing the same is posted, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.
141. (A) Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall at the time of the service of the notice or document have been removed from the register as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (B) If by reason of the suspension or curtailment of postal services in the United Kingdom the Company is unable effectively to convene a general meeting by notices sent by post, the Board may, in its absolute discretion and as an alternative to any other method of service permitted by these Articles, resolve to convene a general meeting by a notice advertised in at least two leading United Kingdom national daily newspapers. In this case the Company shall send confirmatory copies of the notice by post if at least seven clear days before the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

#### WINDING UP

142. If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision, or by the Court) the liquidator may with the authority of an extraordinary resolution divide among the Members in specie or kind the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determined how such division shall be carried out as between the Members or different classes of Members, and the liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.

#### INDEMNITY

143. (A) Save and except so far as the provisions of this Article shall be avoided by any provisions of the Statutes the Directors, Executive Directors, Auditors, Secretary and other officers for the time being of the Company and the Trustees (if any)

for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall to such extent as may for the time being be permitted by the Statutes be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damaged which may happen in the execution of their respective offices or trusts, or in relation thereto, except the same shall happen by or through their own wilful neglect or default respectively.

- (B) The Board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirement benefit scheme or other trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.