[Duplicate for the File.]

No. 15282.

Certificate of Incorporation.

I hereby Certify That

"F. Johnston & Company, Limited"

this day incorporated under the Companies Acts, 1908 to 1917, and that this Company is **Limited.**

GIVEN under my hand at Edinburgh, this Thirty first day of December,

One Thousand Nine Hundred and Twenty eight.

John A. Inglis

Registrar of Joint-Stock Companies.

Certificate }

Form No. 41.

"THE COMPANIES ACTS, 1908 TO 1917"

DECLARATION of compliance with the requisitions of the Companies (Consolidation) Act, 1908, made pursuant to S. 17 (2) of the said Act (8 Edw. VII. c. 69), on behalf of a Company proposed to be registered as the J. Johnston and Company Limited

Presented for Filing by—

JOHN OSWALD & SON
REGISTRATION AGENTS
EDINBURGH

[Authorised Form.]

All Forms supplied by JOHN OSWALD & SON, Registration Agents, 2 St. Andrew Square, Edinburgh.

REGISTERED
31 DEC 1928

I James William Wilson

of 61 High Street, Falkirk

Do solemnly and sincerely declare I am [a] an Enrolled Law Agent engaged in the formation

of J. Johnston and Company

Limited, and That all the requirements of the Companies (Consolidation) Act, 1908, in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with. And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of the "Statutory Declarations Act, 1835."

(a) Here insert:
"An enrolled Law-Agent engaged in the formation,"
or
"A Director named in the Articles of Association,"
or
"the Secretary named in the Articles of Association."

Declared at Falkirk

the 26th day of December

One thousand nine hundred and twenty eight before me,

W T Burns

Canon N Hamilton J.P.

Justice of the Peace for the County

of Stirling

No. 41.

The Companies Acts, 1908 to 1917.

COMPANY LIMITED BY SHARES.

Memorandum of Association

OF

F. JOHNSTON & COMPANY, LIMITED.

I. The name of the Company is "F. JOHNSTON & COMPANY, LIMITED."

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

III. The objects for which the Company is established are:—

(*a*) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic work of any description and to acquire the goodwill and assets of and continue the publication of any existing newspapers, periodicals, or other publications and in particular to acquire the business of Frederick Johnston & Company, Printers and Publishers and proprietors of the *Falkirk Herald* and *Linlithgowshire Gazette* newspapers and carrying on business at Falkirk, Linlithgow, Grangemouth, and elsewhere, together with the whole property and assets, heritable and moveable, belonging to or held in trust for the said Frederick Johnston & Company and for this purpose to enter into and carry into effect a Minute of Agreement proposed to be entered into immediately after the incorporation of the Company between the said Frederick Johnston & Company and the partners and proprietors thereof on the one part, and the Company

JOHN OSWALD & SON, REGISTRATION AGENTS, EDINBURGH.

REGISTERED 31 DEC 1928 No. 16138

EXONERATED 27 DEC 1928

on the other part, and of which proposed Agreement a draft has been docquetted and signed by the first parties thereto.

(*b*) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(*c*) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may seem expedient.

(*d*) To undertake and transact all kinds of agency business, to manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(*e*) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings and to construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(*f*) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(*g*) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire any interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock, or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(*h*) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(*i*) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock, or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or underwrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares,

stock, or securities amongst the members of the Company in specie.

(j) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any business capable of being conducted so as directly or indirectly to benefit the Company.

(k) To pay for any business, undertaking, property, or rights, heritable or moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(l) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments, or otherwise, or in shares of any company or corporation with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(m) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company, and in such manner as may from time to time be determined (and that free from the restrictions imposed by statute upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(n) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, debentures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bills of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissary notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(q) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(r) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(s) To remunerate any person, firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise.

(t) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may determine, and for that purpose to apply part of the profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(*u*) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(*v*) To modify from time to time by special resolution, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the share capital into shares of larger or smaller amount than the amount hereby fixed or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction required by law and the regulations of the Company.

(*w*) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(*x*) To do all such other things as are incidental or conducive to the attainment of the above objects.

IV. The liability of the members is limited.

V. The share capital of the Company is £30,000, divided into 12,000 Preference Shares of £1 each, and 18,000 Ordinary Shares of £1 each. The Preference Shares shall be entitled to a fixed cumulative preferential dividend of 6 per cent. per annum upon the amount paid up thereon from time to time, and shall rank both as regards such dividend and as regards capital, in priority to the holder or holders of the ordinary shares.

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

Names, Addresses, and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
Jed. Johnston 125 High St., Falkirk Printer & Publisher	one ordinary Share
J. Marsh. Johnston. Merchant. Demoffits Retired Mgr.	one ordinary Share

Dated the Twenty fourth day of December Nineteen hundred and twenty-eight.

Witness to the above Signatures—
Margaret Stevenson, 61 High Street, Falkirk, Typist.

The Companies Acts, 1908 to 1917.

COMPANY LIMITED BY SHARES.

Articles of Association

OF

F. JOHNSTON & COMPANY,

LIMITED.

PRELIMINARY.

1. The Company is established as a private Company in the sense of the Companies Acts, 1908 to 1917, and subject to the provisions of its Memorandum of Association and to the provisions of these Articles of Association consisting of the regulations in Table A in the first schedule to the Companies (Consolidation) Act, 1908, with the exception of Articles 2, 5, 20 except (*a*) and (*b*), 21, 35 to 40 (both inclusive), 68, 73, 77 (*b*), 77 (*d*), 77 (*e*), 78, 79, 99, and 108 and subject to the alterations, modifications and additions expressed in the following additional Articles.

2. The Company shall forthwith enter into and carry into effect an Agreement between Frederick Johnston & Company, Printers and Publishers, 125 High Street, Falkirk, and the partners and proprietors thereof, on the one part, and the Company on the other part, for the acquisition of the business and assets of the said firm of Frederick Johnston & Company, a draft of which has been docquetted as approved and signed by the first parties thereto.

3. The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) shall be limited to 50, and no transfer which would, if registered,

increase such number of members beyond 50 (exclusive as aforesaid) shall be valid, and the Directors shall refuse to recognise or register any transfer which would so increase such number, subject to the proviso that two or more persons holding one or more shares jointly shall be regarded as a single member.

4. No invitation shall be made to the public to subscribe for any shares or debentures of the Company, and the Company and its Directors, officials, agents, and all others acting on its behalf are hereby prohibited from making any such invitation to the public.

OFFICE.

5. The Registered Office of the Company shall be situated at No. 125 High Street, Falkirk, or at such other place as the Directors may from time to time appoint.

SHARE CAPITAL AND SHARES.

6. The capital of the Company shall be £30,000, divided into 12,000 Preference Shares of £1 each, and 18,000 Ordinary Shares of £1 each.

7. The holders of the said Preference Shares shall be entitled to a cumulative preferential dividend out of profits at the rate of 6 per cent. per annum on the amount paid up thereon for the time being. After making provision for same and setting aside such sums as may be determined for reserves, any balance of profits shall each year be divisible among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them. In the event of the Company being wound up the surplus assets, including any reserve funds, shall be applied as follows, viz.:—In payment to the Preference Shareholders of the amount credited as paid on their shares together with any past due dividends, and thereafter the whole balance remaining shall belong to the holders of the Ordinary Shares and be payable to them in proportion to their respective holdings thereof.

LIEN.

8. In Article 9 of Table A the words "other than fully paid shares" shall be deleted and the words "or in his name jointly with another or others" shall be inserted to read after the words "a single person."

TRANSFER AND TRANSMISSION OF SHARES.

9. The Directors may decline to register a transfer of any share or shares without assigning any reason therefor except that they shall be bound to register any transfer of shares in favour of any member of the Company who may have been a partner of the said firm of Frederick Johnston & Company, also a transfer in favour of any of the representatives of any of such partners who may die after the date of the Incorporation of the Company or who may have been deceased prior to said date, provided that such representatives shall have the option of being registered either as joint holders or as individual shareholders. For the purposes of this Article and of Article 18 the expression "representatives" shall only be deemed to include and shall be limited to husbands and wives, descendants, brothers and sisters, or nephews and nieces, or to a Trustee or Executor or a body of Trustees or Executors acting for such husbands and wives, descendants, brothers and sisters, or nephews and nieces.

10. Every shareholder and also every person referred to in Article 22 of Table A who intends to dispose of his or her shares (such shareholder or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors thereof of his intention. This notice shall constitute the Board his agents for the sale of the said shares, in one or more lots at the discretion of the Board, to members of the Company at a price to be agreed upon by the vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the auditor of the Company for the time being if acceptable to the parties, or failing such by an Arbiter to be appointed by the parties.

11. Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the Shareholders of the Company of the number and price of the shares to be sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said shares.

12. At the expiration of said twenty-one days the Board shall allocate the said shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be *pro rata* according to the number of shares already held by them respectively. Upon said allocation being made the vendor shall be bound on payment of the said price to transfer the shares to the purchaser or purchasers.

PROCEEDINGS AT GENERAL MEETINGS.

13. Where it is proposed to pass a special resolution the two meetings may be convened by one and the same notice and it shall not be an objection to such notice that it convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.

14. In each of the Articles 51 and 56 of Table A the words "two members" shall be substituted for the words "three members."

15. Any ordinary resolution of the Company determined on without any general meeting, and evidence thereof in writing under the hands of the Directors, shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.

VOTES OF MEMBERS.

16. At the end of Article 61 of Table A the following shall be added—"Provided that the representatives of a deceased member as defined in Article 9 hereof who shall have been registered as joint holders shall attend and vote at all meetings of the Company through one of their number who shall be nominated in writing by such representatives so to attend and vote."

DIRECTORS.

17. The number of Directors shall be not less than two and not more than nine, and the first Directors of the Company shall be Frederick Johnston, Printer and Publisher, 125 High Street, Falkirk; Thomas Johnston, residing at 51 Windsor Terrace, Glasgow; the Reverend John Archibald Johnston, residing at Marchmount, Dumfries; James Henry Burns, residing at 2 Murrayfield Gardens, Edinburgh (as executor of Mrs. Margaret Mair Johnston or Burns); Barbara Johnston or Maclachlan, residing at Dryfemount, Lockerbie; and Archibald Johnston Neilson, residing at 51 Windsor Terrace, Glasgow (as representing the representatives of the deceased Mrs. Agnes Johnston or Neilson, and provided his nomination as a Director is ratified in writing by said representatives). Said Frederick Johnston, Thomas Johnston, John Archibald Johnston, James Henry Burns, Barbara Johnston or Maclachlan shall hold office until they shall resign or cease to hold the qualifying number of shares. The said Frederick Johnston shall be the Chairman and Managing Director of the Company during his lifetime.

18. The representatives of each of the said Frederick Johnston, Thomas Johnston, Reverend John Archibald Johnston, and Barbara Johnston or Maclachlan in the event of the decease of any of them, and the representatives of the said Agnes Johnston or Neilson and of the said Margaret Mair Johnston or Burns on the decease of the said James Henry Burns, holding not less than approximately one-ninth of the total capital of the Company as at the date of incorporation, and whether registered as joint holders or as individuals shall nominate in writing one of their number as a Director of the Company subject to the following rules:—

(*a*) The nomination of any such Director shall specify the seriel number of the shares in respect of which it is made, and shall be lodged with the Secretary of the Company.

(*b*) No nomination shall become invalid in consequence of the death of any nominator, or of any transfer of any of the shares in respect of which it was made.

(*c*) Any such nomination may be cancelled at any time by the persons having right to the shares in respect of which same was made, sending written notice to the Secretary, also written notice of any new nomination.

19. In Article 71 of Table A the words "and the exercise of such powers shall be subject also to the control and regulation of any general meeting of the Company" shall be substituted for the words from "subject nevertheless" to "prescribed by the Company in general meeting."

20. The remuneration of the said Frederick Johnston, so long as he continues to act as Managing Director, shall be the sum of £300 per annum, and in addition he shall be entitled to a commission of 5% on the annual profits of the Company.

21. In Article 88 the word "two" shall be substituted for the word "three."

22. The Company shall pay all travelling and out of pocket expenses incurred by the Directors while engaged on the Company's business.

BORROWING POWERS.

23. The Directors without prejudice to their general powers, may in the name and on behalf of the Company, and from time to time, at their discretion, borrow from themselves or from others any sum or sums of money for the purposes of the Company, and that upon such terms and in such manner as they may think fit,

provided that the Directors shall not, without the sanction of a general meeting of the Company, raise or borrow any sum or sums of money exceeding in all Five thousand pounds (£5,000).

RESERVE FUND.

24. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sum or sums as they may think proper as a General Reserve Fund. Such Reserve Fund shall be available to redeem debentures, to meet contingencies, or any temporary unforeseen or casual expenses or liabilities of, and to make good any loss suffered by the Company or for equalising dividends on the shares of the Company or for repairing improving or maintaining any of the property of the Company, or for any other purpose which the Directors may consider conducive to the interests of the Company, including the payment of the whole or any portion of the Reserve Fund as a bonus to the holders of the Ordinary Shares, if so determined by the Company in general meeting.

25. The Directors may employ the Reserve Fund to be formed under the preceding Article, in the business of the Company, or may from time to time invest the fund so set aside upon such investments (other than the shares of the Company) as they may think fit, and they may from time to time deal with and vary such investments and dispose of all, or any part thereof, for the benefit of the Company. The revenue from the Reserve Fund and from the securities on which the same shall be invested shall be treated as ordinary income of the Company, or be dealt with in such other manner as the Directors may think fit.

26. The Company may at any time and from time to time resolve that any moneys, investments or other assets standing to the credit of the Reserve Fund or in the hands of the Company and available for dividend, be capitalised and distributed amongst the holders of the ordinary shares in proportion to such ordinary shares held by them respectively on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full or in part any unissued shares of the Company, and that such unissued shares so fully or partly paid be distributed amongst such shareholders on the footing that they become entitled thereto as capital in the proportion in which they are entitled to receive dividends and shall be accepted by them in satisfaction of their interests in the said capitalised sum.

27. The Directors may also carry to the credit of an Equalising Dividend Account or carry forward to the accounts of any succeeding year any balance of profits which shall not have been appropriated to the Reserve Fund as aforesaid or to the payment of dividends or bonuses on the shares of the Company.

NOTICES.

28. In Article 112 the words "to the Joint Holder who may have been nominated by such joint holders in terms of Article 9 hereof" shall be substituted for the words "to the joint holder named first in the register."

29. In Article 114 the words ("including bearers of share warrants") shall be deleted.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS.

Jed. Johnston
125 High St., Falkirk
Printer & Publisher

John Keith Johnston,
Marchmount Dunipace, Retired Clergyman.

Dated the Twenty fourth day of December
Nineteen hundred and twenty-eight.

Witness to the above Signatures—
Margaret Stevenson, 61 High Street, Falkirk.

The NOMINAL CAPITAL of the F. Johnston and

Company, Limited,

is £30000, divided into 12000 Preference shares of £1

each. and 18000 ordinary shares of £1 each.

Signature W T Burn 61 High Street, Falkirk

Description Secretary of F Johnston & Co Ltd

Date 26th December 1928

NOTE.—This margin is reserved for binding, and must not be written across.

JOHN OSWALD & SON,
REGISTR[illegible]

EXCHEQUER
27 DEC 1928
EDINBURGH

REGISTERED
31 DEC 1928
No. 16140

No. of Certificate_____ Form No. 25.

_____

_____

F. Johnston and Co. COMPANY, LIMITED.

_____

STATEMENT of the Nominal Capital made pursuant to s. 112 of the Stamp Act, 1891, as amended by s. 7 of the Finance Act, 1899, and s. 39 of the Finance Act, 1920. (NOTE.—The Stamp Duty on the Nominal Capital is One Pound for every £100 or fraction of £100.)

_____

This Statement is to be filed with the Memorandum of Association, or other Document, when the Company is registered.

_____

Presented for registration by

_____

_____

(29287) 3685/2358 3,000. 2/20. M. & S.
(29287) 1497/2274 5,000. 8/20. M. & S.

No. of Company.... 15382 15382

Price—One Penny
(Exclusive of Purchase Tax)
Form No. 103

THE COMPANIES ACT, 1948.

A 5/- Companies Registration Fee Stamp must be *impressed* here.

Notice of Place where Register of Members is kept or of any change in that place.

(*Pursuant to Section 110 (3).*)

Name of Company: F. Johnston and Company ..... Limited.

Presented by: J. W. Burns, 77 High Street, Falkirk
Secretary

CHEQUER
22 JUL 1949
EDINBURGH

REGISTERED
22 JUL 1949
No. 24653

Wt.9082/D/452 1500 4/49 W.H.&S. Gp.768

NOTICE

Of Place where Register of Members is kept or of any change in that place.

TO THE REGISTRAR OF COMPANIES.

F. Johnston and Company

..... LIMITED

hereby gives you notice, in accordance with subsection (3) of Section 110 of the Companies Act, 1948, that the register of members of the company is kept at

77 High Street, Falkirk

(*Signature*) W. Burns

(*State whether Director or Secretary*) Secretary

Dated the 21st day of July 1949

This Margin to be reserved for binding.

No. 15382 - F. JOHNSTON AND COMPANY LIMITED

COPY SPECIAL RESOLUTION PASSED ON 30TH JULY 1951.

That Article 23 of the Articles of Association of the Company be altered by deleting from said Article the words:-

"Provided that the Directors shall not without "the sanction of a General Meeting of the "Company raise or borrow any sum or sums of "money exceeding in all £5000".

W W Beens Secretary.

EXAMINED
3 AUG 1951
EDINBURGH

RECEIVED
7 AUG 1951
No. 211

20892

No. of Company... 15382 15382

Price—One Penny
(Exclusive of Purchase Tax)
Form No. 103

THE COMPANIES ACT, 1948.

A 5/- Companies Registration Fee Stamp must be impressed here.

Notice of Place where Register of Members is kept or of any change in that place.

(Pursuant to Section 110 (3).)

Name of Company: J. Johnston and Company ..... Limited.

Presented by W. W. Burn
12 S. High Street Falkirk
Solicitor

21710

EDINBURGH
28 JUL 1954

Wt. 8000/8220 1000 2/50 W.R.&S. Gp.769

NOTICE

Of Place where Register of Members is kept or of any change in that place.

TO THE REGISTRAR OF COMPANIES.

F. Johnston and Company LIMITED

hereby gives you notice, in accordance with subsection (3) of Section 110 of the Companies Act, 1948, that the register of members of the company is kept at

125 High Street Falkirk

(Signature) J W Bevan

(State whether Director or Secretary) Secretary

Dated the 26th day of July 1954

This Margin to be reserved for binding.

The following is a copy of Special Resolutions passed at an Extraordinary General Meeting of F. JOHNSTON & COMPANY LIMITED, held at the Registered Office of the Company at 125 High Street, Falkirk on tenth February 1965:

(1) That the sum of £36,000 be capitalised from the Reserves of the Company and that the Directors be and they are hereby authorised and directed in accordance with the terms of the Company's Circular Letter dated 15th January, 1965 to Ordinary Shareholders to appropriate the said sum of £36,000 to the holders of the Ordinary Shares in the Capital of the Company on the Register of Members at the close of business on 31st December 1964 and to apply that sum on behalf of such holders of Ordinary Shares in paying up in full 36,000 Ordinary Shares of £1 each to rank pari passu with the existing Ordinary Shares of the Company except that they will not participate in any dividend to be paid in respect of the Company's financial year ending 31st December 1964; such shares to be allotted and distributed fully paid up to the said Ordinary Shareholders at the rate of two such Ordinary Shares for every one Ordinary Share held.

(2) That the Capital of the Company be and is hereby increased from £30,000 to £120,000 by the creation of 90,000 Ordinary Shares.

Certified a true copy of the above Special Resolutions,

(T.A. McGowran)
Secretary, F. JOHNSTON & COMPANY LTD.

12th February 1965

Mover and signer of original motion – F.M. Johnston, Printer & Publisher, Barnkittoch, Crieff, Perthshire.

17 FEB 1965
EDINBURGH

REGISTERED
17 FEB 1965
COMPANIES REGISTRATION
No. 6924

6924

No. of Company 15382 / 64

COMPANIES REGISTRATION OFFICE 17 II 65

FEE PAID

Price—Three Pence
(Exclusive of Purchase Tax)
Form No. 10

COMPANIES REGISTRATION

THE COMPANIES ACT, 1948.

NOTICE OF INCREASE IN NOMINAL CAPITAL

Pursuant to Section 63.

Name of Company: F. JOHNSTON & COMPANY Limited

NOTE.—This notice, accompanied by a printed copy of the Resolution authorising the Increase, must be forwarded to the Registrar of Companies within 15 days after the passing of the said Resolution.

Presented by

Blackadder, Blane & Mackenzie, S.S.C.,

41, High Street, Falkirk.

EXCHEQUER 15 FEB 1965 EDINBURGH

EXCHEQUER 17 FEB 1965 EDINBURGH

REGISTERED
17 FEB 1965
COMPANIES REGISTRATION
No. 541

6925

TO THE REGISTRAR OF COMPANIES.

F. JOHNSTON & COMPANY LIMITED,

hereby gives you notice pursuant to Sect. 63 of the Companies Act, 1948, that by (a) Special Resolution of the Company dated the Tenth day of February 19 65., the nominal Capital of the Company has been increased by the addition thereto of the sum of £ 90,000 beyond the registered Capital of £ 30,000

The additional capital is divided as follows:—

Number of Shares.	Class of Share.	Nominal Amount of each Share.
90,000	Ordinary	£1

The conditions (e.g. voting rights, dividend rights, winding-up rights, etc.) subject to which the new Shares have been or are to be issued are as follows:—

(If any of the new Shares are Preference Shares state whether they are redeemable or not.)

Margin reserved for Binding.

(Signature) [signature]

(State whether Director, or Secretary) Secretary

Dated the twelfth day of February 19 65.

(a) "Ordinary," "Extraordinary" or "Special."

F. JOHNSTON & COMPANY, LIMITED

STATEMENT OF INCREASE OF NOMINAL CAPITAL PURSUANT TO S. 112 OF THE STAMP ACT, 1891

NOTE—The Stamp Duty on an increase of Nominal Capital is Ten shillings for every £100 or fraction of £100 (Section 41, Finance Act, 1933.)

This statement is to be filed within 15 days after the passing of the Resolution by which the Registered Capital is increased, and if not so filed Interest on the Duty at the rate of 5 per cent. per annum from the passing of the Resolution is also payable (S. 5, Revenue Act, 1903).

The NOMINAL CAPITAL of the above-mentioned Company has by a Resolution of the Company dated 10th February, 1965 been increased by the addition thereto of the sum of £ 90,000 beyond the Registered Capital of £ 30,000

Signature J. Bruce Johnston

Date 12th February 1965 Description Secretary.

NOTE—Attention is drawn to Section 63 of the Companies Act, 1948, relative to the filing of a Notice of Increase and a printed copy of the Resolution authorising the Increase.

Presented for registration by

Blackadder, Blane & Mackenzie, S.S.C.,

41, High Street, Falkirk.

17 FEB 1965 EDINBURGH

EXCHEQUER Stamps LCS 302

REGISTERED 17 FEB 1965 COMPANIES REGISTRATION OFFICE No. 1343

Wt. 26443/E2446 2½m. 9/62 B.L.&Co.Ltd. Gp.877/97

The Falkirk Herald

F. JOHNSTON & CO., LTD.
Proprietors

Telephone: FALKIRK 22526

COMPANIES REGISTRATION OFFICE 9 XII 65

FEE PAID £00·25

125 High Street,
Falkirk

4th December 1965

15382

12

F. JOHNSTON & COMPANY LIMITED

SPECIAL RESOLUTIONS PASSED ON
1st DECEMBER 1965

At the Thirty-Sixth Annual General meeting of the Company held at the Registered Office of the Company, 125 High Street, Falkirk, on Wednesday, 1st December 1965 at 3 p.m. the following Resolutions were passed as Special Resolutions:-

(1) That Article 70 of the Companies Act, 1948, be included among the list of exceptions to the regulations of Table A of the said Act, as set out in the Articles of Association of the Company (Article 1, lines 6, 7 and 8).

(2) That Article 20 of the Articles of Association be deleted and in its place, as article 20. the following be inserted, being the form of words as set out in Article 77 of the Companies Act, 1948: "The share-holding qualification for directors may be fixed by the company in general meeting, and unless and until so fixed no qualification shall be required."

EXCHEQUER 9 DEC 1965 EDINBURGH

52703

BY ORDER OF THE BOARD

[signature]
Secretary.

15382/93

THE COMPANIES ACT, 1948.

COMPANY LIMITED BY SHARES

S P E C I A L R E S O L U T I O N

OF

F. JOHNSTON & COMPANY, LIMITED
(Registered in Scotland No. 15382)

Passed on 31st July, 1951

At an EXTRAORDINARY GENERAL MEETING of F. Johnston & Company, Limited held at 125 High Street, Falkirk, on Monday, the thirty-first day of July, 1951, the following RESOLUTION was duly passed as a SPECIAL RESOLUTION of the Company.

S P E C I A L R E S O L U T I O N

That:-

Article 23 of the Articles of Association of the Company be altered by deleting from the said Article the words: "Provided that the Directors shall not, without the sanction of a General Meeting of the Company, raise or borrow any sum or sums of money exceeding in all Five Thousand Pounds (£5,000)".

Signed ----------
Chairman

COMPANIES REGISTRATION
26 JUL 1978
OFFICE

15382/96

THE COMPANIES ACTS, 1948 TO 1976

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
(as altered on 31st July, 1978)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1926.

Registered in terms of the
European Communities Act, 1972.

COMPANIES REGISTRATION
21 AUG 1978
OFFICE

MacRobert, Son & Hutchison,
Solicitors,
GLASGOW.

The Companies Acts, 1908 to 1917.

COMPANY LIMITED BY SHARES.

Articles of Association

OF

F. JOHNSTON & COMPANY, LIMITED.

PRELIMINARY.

1. The Company is established as a private Company in the sense of the Companies Acts, 1908 to 1917, and subject to the provisions of its Memorandum of Association and to the provisions of these Articles of Association consisting of the regulations in Table A in the first schedule to the Companies (Consolidation) Act, 1908, with the exception of Articles 2, 5, 20, except (a) and (b), 21, 35 to 40 (both inclusive), 68, 70, 73, 77 (b), 77 (d), 77 (e), 78, 79, 99, and 108 and subject to the alterations, modifications and additions expressed in the following additional Articles.

2. The Company shall forthwith enter into and carry into effect an Agreement between Frederick Johnston & Company, Printers and Publishers, 125 High Street, Falkirk, and the partners and proprietors thereof, on the one part, and the Company on the other part, for the acquisition of the business and assets of the said firm of Frederick Johnston & Company, a draft of which has been docqueted as approved and signed by the first parties thereto.

3. The number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) shall be limited to 50, and no transfer which would, if registered,

increase such number of members beyond 50 (exclusive as aforesaid) shall be valid, and the Directors shall refuse to recognise or register any transfer which would so increase such number, subject to the proviso that two or more persons holding one or more shares jointly shall be regarded as a single member.

4. No invitation shall be made to the public to subscribe for any shares or debentures of the Company, and the Company and its Directors, officials, agents, and all others acting on its behalf are hereby prohibited from making any such invitation to the public.

OFFICE.

5. The Registered Office of the Company shall be situated at No. 125 High Street, Falkirk, or at such other place as the Directors may from time to time appoint.

SHARE CAPITAL AND SHARES

6. The capital of the Company shall be £120,000, divided into 12,000 Preference Shares of £1 each, and 108,000 Ordinary Shares of £1 each.

7. The holders of the said Preference Shares shall be entitled to a cumulative preferential dividend out of profits at the rate of 6 per cent. per annum on the amount paid up thereon for the time being. After making provision for same and setting aside such sums as may be determined for reserves, any balance of profits shall each year be divisible among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them. In the event of the Company being wound up the surplus assets, including any reserve funds, shall be applied as follows, viz. :—In payment to the Preference Shareholders of the amount credited as paid on their shares together with any past due dividends, and thereafter the whole balance remaining shall belong to the holders of the Ordinary Shares and be payable to them in proportion to their respective holdings thereof.

LIEN.

8. In Article 9 of Table A the words " other than fully paid shares " shall be deleted and the words " or in his name jointly with another or others " shall be inserted to read after the words " a single person."

TRANSFER AND TRANSMISSION OF SHARES.

9. The Directors may decline to register a transfer of any share or shares without assigning any reason therefor except that they shall be bound to register any transfer of shares in favour of any member of the Company who may have been a partner of the said firm of Frederick Johnston & Company, also a transfer in favour of any of the representatives of any of such partners who may die after the date of the incorporation of the Company or who may have been deceased prior to said date, provided that such representatives shall have the option of being registered either as joint holders or as individual shareholders. For the purposes of this Article and of Article 18 the expression "representatives" shall only be deemed to include and shall be limited to husbands and wives, descendants, brothers and sisters, or nephews and nieces, or to a Trustee or Executor or a body of Trustees or Executors acting for such husbands and wives, descendants, brothers and sisters, or nephews and nieces.

10. Every shareholder and also every person referred to in Article 22 of Table A who intends to dispose of his or her shares (such shareholder or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors, thereof of his intention. This notice shall constitute the Board his agents for the sale of the said shares, in one or more lots at the discretion of the Board, to members of the Company at a price to be agreed upon by the vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the auditor of the Company for the time being if acceptable to the parties, or failing such by an Arbiter to be appointed by the parties.

11. Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the Shareholders of the Company of the number and price of the shares to be sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said shares.

12. At the expiration of said twenty-one days the Board shall allocate the said shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be *pro rata* according to the number of shares already held by them respectively. Upon said allocation being made the vendor shall be bound on payment of the said price to transfer the shares to the purchaser or purchasers.

PROCEEDINGS AT GENERAL MEETINGS.

13. Where it is proposed to pass a special resolution the two meetings may be convened by one and the same notice and it shall not be an objection to such notice that it convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.

14. In each of the Articles 51 and 56 of Table A the words "two members" shall be substituted for the words "three members."

15. Any ordinary resolution of the Company determined on without any general meeting, and evidence thereof in writing under the hands of the Directors, shall be as valid and effectual as an ordinary resolution duly passed at a general meeting of the Company.

VOTES OF MEMBERS.

16. At the end of Article 61 of Table A the following shall be added—"Provided that the representatives of a deceased member as defined in Article 9 hereof who shall have been registered as joint holders shall attend and vote at all meetings of the Company through one of their number, who shall be nominated in writing by such representatives so to attend and vote."

DIRECTORS.

17. The number of Directors shall be not less than two and not more than nine, and the first Directors of the Company shall be Frederick Johnston, Printer and Publisher, 125 High Street, Falkirk; Thomas Johnston, residing at 51 Windsor Terrace, Glasgow; the Reverend John Archibald Johnston, residing at Marchmount, Dumfries; James Henry Burns, residing at 2 Murrayfield Gardens, Edinburgh (as executor of Mrs. Margaret Mair Johnston or Burns); Barbara Johnston or Maclachlan, residing at Dryfemount, Lockerbie; and Archibald Johnston Neilson, residing at 51 Windsor Terrace, Glasgow (as representing the representatives of the deceased Mrs. Agnes Johnston or Neilson, and provided his nomination as a Director is ratified in writing by said representatives). Said Frederick Johnston, Thomas Johnston, John Archibald Johnston, James Henry Burns, Barbara Johnston or Maclachlan shall hold office until they shall resign or cease to hold the qualifying number of shares. The said Frederick Johnston shall be the Chairman and Managing Director of the Company during his lifetime.

18. The representatives of each of the said Frederick Johnston, Thomas Johnston, Reverend John Archibald Johnston, and Barbara Johnston or Maclachlan in the event of the decease of any of them, and the representatives of the said Agnes Johnston or Neilson and of the said Margaret Mair Johnston or Burns on the decease of the said James Henry Burns, holding not less than approximately one-ninth of the total capital of the Company as at the date of incorporation, and whether registered as joint holders or as individuals, shall nominate in writing one of their number as a Director of the Company subject to the following rules :-

(a) The nomination of any such Director shall specify the serial number of the shares in respect of which it is made, and shall be lodged with the Secretary of the Company.

(b) No nomination shall become invalid in consequence of the death of any nominator, or of any transfer of any of the shares in respect of which it was made.

(c) Any such nomination may be cancelled at any time by the persons having right to the shares in respect of which same was made, sending written notice to the Secretary, also written notice of any new nomination.

19. In Article 71 of Table A the words "and the exercise of such powers shall be subject also to the control and regulation of any general meeting of the Company" shall be substituted for the words from "subject nevertheless" to "prescribed by the Company in general meeting."

20. The remuneration of the said Frederick Johnston, so long as he continues to act as Managing Director, shall be the sum of £300 per annum, and in addition he shall be entitled to a commission of 5% on the annual profits of the Company.

21. In Article 88 the word "two" shall be substituted for the word "three."

22. The Company shall pay all travelling and out of pocket expenses incurred by the Directors while engaged on the Company's business.

23. A Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and shall be taken into account in reckoning the quorum present at the meeting when such contract or arrangement is under consideration.

BORROWING POWERS

24. The Directors without prejudice to their general powers, may in the name and on behalf of the Company, and from time to time, at their discretion, borrow from themselves or from others any sum or sums of money for the purposes of the Company, and that upon such terms and in such manner as they may think fit.

RESERVE FUND

25. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sum or sums as they may think proper as a General Reserve Fund. Such Reserve Fund shall be available to redeem debentures, to meet contingencies, or any temporary unforeseen or casual expenses or liabilities of, and to make good any loss suffered by the Company or for equalising dividends on the shares of the Company or for repairing improving or maintaining any of the property of the Company, or for any other purpose which the Directors may consider conducive to the interests of the Company, including the payment of the whole or any portion of the Reserve Fund as a bonus to the holders of the ordinary shares, if so determined by the Company in general meeting.

26. The Directors may employ the Reserve Fund to be formed under the preceding Article, in the business of the Company, or may from time to time invest the fund so set aside upon such investments (other than the shares of the Company) as they may think fit, and they may from time to time deal with and vary such investments and dispose of all, or any part thereof, for the benefit of the Company. The revenue from the Reserve Fund and from the securities on which the same shall be invested shall be treated as ordinary income of the Company, or be dealt with in such other manner as the Directors may think fit.

27. The Company may at any time and from time to time resolve that any moneys, investments or other assets standing to the credit of the Reserve Fund or in the hands of the Company and available for dividend, be capitalised and distributed amongst the holders of the ordinary shares in proportion to such ordinary shares held by them respectively on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full or in part any unissued shares of the Company, and that such unissued shares so fully or partly paid be distributed amongst such shareholders on the footing that they become entitled thereto as capital in the proportion in which they are entitled to receive dividends and shall be accepted by them in satisfaction of their interests in the said capitalised sum.

28. The Directors may also carry to the credit of an Equalising Dividend Account or carry forward to the accounts of any succeeding year any balance of profits which shall not have been appropriated to the Reserve Fund as aforesaid or to the payment of dividends or bonuses on the shares of the Company.

NOTICES

29. In Article 112 the words "to the joint holder who may have been nominated by such joint holders in terms of Article 9 hereof" shall be substituted for the words "to the joint holder named first in the register."

30. In Article 114 the words ("including bearers of share warrants") shall be deleted.

NAMES, ADDRESSES, AND DESCRIPTIONS OF SUBSCRIBERS

(Sgd.) FRED. JOHNSTON, 125 High Street, Falkirk, Printer and Publisher.

(Sgd.) JOHN ARCH. JOHNSTON, Marchmount, Dumfries, Retired Clergyman.

Dated the Twenty-fourth day of December, Nineteen hundred and twenty-eight.

Witness to the above Signatures -

(Sgd.) MARGARET STEVENSON,
61 High Street, Falkirk.
Typist.

No. 15382

Certificate of Incorporation.

I hereby Certify that "F. JOHNSTON & COMPANY, LIMITED," is this day incorporated under the Companies Acts, 1908 to 1917, and that this Company is LIMITED.

Given under my hand at Edinburgh, this Thirty-first day of December, One Thousand Nine Hundred and Twenty-eight.

SEAL

(Sgd.) JOHN A. INGLIS,
Registrar of Joint-Stock Companies.

AGREEMENT between Frederick Johnston and Company, Printers and Publishers, 125 High Street, Falkirk, and Frederick Johnston, Printer and Publisher, 125 High Street, Falkirk; Thomas Johnston, now residing at 51 Windsor Terrace, Glasgow; the Rev. John Archibald Johnston, now residing at Marchmount, Dumfries; and Mrs. Barbara Johnston or Maclachlan, residing at Dryfemount, Lockerbie; the surviving original partners of the said firm of Frederick Johnston & Company under Contract of Partnership entered into between the said Thomas Johnston, John Archibald Johnston, Frederick Johnston, the now deceased Mrs. Agnes Johnston or Neilson, who resided at 51 Windsor Terrace, Glasgow; the now deceased Mrs. Margaret Mair Johnston or Burns, wife of James Henry Burns, Solicitor, Falkirk; and the said Mrs. Barbara Johnston or Maclachlan, dated 23rd, 25th, and 30th January, and 4th and 5th February, and registered in the Books of Council and Session, 11th February, all in the year 1915; and the said James Henry Burns, as Executor of the said Mrs. Margaret Mair Johnston or Burns under her Holograph Last Will and Testament dated 17th December, 1918, and registered in the Books of Council and Session 4th December, 1920, and acting for himself as liferenter in the estate of the said Margaret Mair Johnston or Burns, and as Mandatory for James William Burns, Solicitor, Falkirk; Archibald Johnston Burns, Insurance Broker, Arnothall, Falkirk; William Hamilton Burns, Civil Engineer, residing at Trichinopoly, India; John George Burns, Sheriff-Substitute of Ross and Cromarty at Stornoway; Eva Burns, Spinster, residing at 2 Murrayfield Gardens, Edinburgh; Charles Thomas Burns, Chartered Accountant, residing at Little Croft, Chislehurst, Kent; Frederick Johnston Burns, Civil Engineer,

residing at 3 Moreton Gardens, London, S.W.5; being the whole surviving sons and daughter of the said Mrs. Margaret Mair Johnston or Burns, and Cecil Philip Adcock, now residing at Grenehurst Park, Capel, Surrey; and the said John George Burns as Trustees of the deceased Arthur Lindsey Burns (a son of the said Mrs. Margaret Mair Johnston or Burns) under his Trust Disposition and Settlement dated 9th September, 1922, and registered in the Books of Council and Session 19th November, 1925, and the said James William Burns, Archibald Johnston Burns, William Hamilton Burns, John George Burns, Eva Burns, Charles Thomas Burns, and Frederick Johnston Burns being along with the said Trustees last mentioned the fiars of the estate of said Mrs. Margaret Mair Johnston or Burns all under her said Holograph Last Will and Testament, and Archibald Johnston Neilson, residing at 51 Windsor Terrace, Glasgow, acting for himself and as Mandatory for Richard Gillies Neilson, residing at Iona, The Droveway, Hove, Sussex; Frederick Johnston Neilson, residing at 6 Midlothian Drive, Shawlands, Glasgow, S.1; the whole sons of the said Mrs. Agnes Johnston or Neilson, and Walter Graham Leechman, Writer, Glasgow, Executor-dative of the deceased Mrs. Barbara Louisa Neilson or Leechman, only daughter of the said Mrs. Agnes Johnston or Neilson, and the said Archibald Johnston Neilson, Richard Gillies Neilson, Frederick Johnston Neilson, and Walter Graham Leechman, as Executor-dative foresaid being the whole personal representatives or next of kin of the said Mrs. Agnes Johnston or Neilson who died intestate, *on the one part* (hereinafter called the Sellers) and F. Johnston and Company Limited, incorporated under the Companies Acts, 1908 to 1917 and having its registered office at 125 High Street, Falkirk, *on the other part* (hereinafter called " the Limited Company ").

The parties considering that the said Frederick Johnston, Thomas Johnston, John Archibald Johnston, and Mrs. Barbara Johnston or Maclachlan have been for many years associated as partners of the said firm of Frederick Johnston and Company, Proprietors of the *Falkirk Herald* and *Linlithgowshire Gazette* Newspapers, and carrying on business at Falkirk, Linlithgow, Grangemouth, and elsewhere: That the said Margaret Mair

Johnston or Burns who died on the 8th day of October, 1920, by her said Holograph Last Will and Testament appointed the said James Henry Burns to be her Executor and to hold her general estate (which included her interest in said firm) for his own liferent and on his death that same should be equally divided among his sons and daughter before mentioned: That the said James Henry Burns has since the date of death of the said Margaret Mair Johnston or Burns acted as a partner of said firm in room and place of his said wife: That the said Mrs. Agnes Johnston or Neilson died on the 26th October, 1924, and the said Archibald Johnston Neilson was appointed her Executor-dative conform to Testament Dative granted by the Sheriff of Lanarkshire dated 25th February, 1925, and thereafter divided her estate among her sons and daughter before mentioned: That the said Mrs. Barbara Louisa Neilson or Leechman died intestate on the 16th May, 1925, and the said Walter Graham Leechman was appointed her Executor-dative conform to Testament-dative of the Sheriff of Lanarkshire dated 21st October, 1925, and now holds the estate of the said Barbara Louisa Neilson or Leechman for behoof of her next of kin: That the said Archibald Johnston Neilson has since the death of his said mother acted as a partner of said firm as representing himself and his said brothers and sister (and his sisters representatives) as coming in room and place of their said mother: That the said firm of Frederick Johnston and Company has been dissolved as at 31st December, 1928: That the Sellers have agreed upon the terms and conditions hereinafter contained to sell the business and whole assets of their said firm of Frederick Johnston and Company as at the 1st day of January, 1929, to the Limited Company: And whereas the Limited Company has been incorporated for the purpose *inter alia* of entering into this Agreement for the purchase of said business and assets *Therefore the parties hereto have agreed and Do Hereby agree as follows*:—

First.—The Sellers agree to sell, convey, and assign to the Limited Company, and the Limited Company agrees to purchase and to take over from the Sellers as at the 1st day of January, 1929, the whole business, assets and liabilities of the said firm of Frederick Johnston and Company carried on at Falkirk, Linlithgow, Grangemouth, and elsewhere as aforesaid, including all heritable properties belonging to the said firm, and vested in the partners thereof, as appearing in the Books thereof as at the close of the 31st day of December, 1928.

Second.—The sale shall be held to have taken place as at the 1st day of January, 1929, and all transactions which have taken place since the beginning of that day shall be held to have taken place on account of and for the benefit of the Limited Company, and any profit earned as and from said 1st January, 1929 (being the date of sale) shall be the profit of the Company and as such shall be available for distribution by way of dividend.

Third.—The consideration or price payable by the Limited Company for the subjects of sale shall be £30,000 Sterling made up as follows :—

Heritable Property situate at 123, 125, and 127 High Street, Falkirk, and at Baxter's Wynd behind, -	£7,833 3 8
Heritable Property "Anglesey," Hodge Street, Falkirk, - - - - - - - - -	750 0 0
Heritable Property at 114 High Street, Linlithgow, -	734 10 0
Heritable Property at 32 Boness Road, Grangemouth,	1,525 0 0
Fixed machinery and plant at 125 High Street, Falkirk, - - - - - - - - -	2,400 0 0
Loose machinery and plant at 125 High Street, Falkirk, - - - - - - - - -	4,056 14 0
Loose machinery and plant at 32 Boness Road, Grangemouth, - - - - - - -	15 0 2
Loose machinery and plant at 114 High Street, Linlithgow, - - - - - - - -	84 0 7
Office furniture, - - - - - - - -	32 15 7
Bill Posting Stations, - - - - - - -	468 5 9
Stock in trade, - - - - - - - -	775 6 0
Sundry Debtors, - - - - - - - -	4,048 4 6
£500 5% War Stock 1929-47, - - - - -	500 0 0
Cash on hand and in bank, - - - - -	7,852 3 11
	£31,075 4 2
Deduct debts owing, - - - - - - -	1,075 4 2
	£30,000 0 0

Subject to adjustment when 1928 balance sh...

Fourth.—The Limited Company in payment and satisfaction of the said price of £30,000 shall allot and issue to the sellers 12,000 6 per cent. Cumulative Preference Shares of £1 each and 18,000 Ordinary Shares of £1 each credited as fully paid in all respects and all in proportion to their present holdings in the said firm of Frederick Johnston and Company and as follows :—

	Preference Shares.	Ordinary Shares.
The said Frederick Johnston, - - - - -	5,296	8,000
,, ,, Thomas Johnston, - - - - -	1,414	2,000
,, ,, the Rev. John Archibald Johnston, -	1,353	2,000
,, ,, Mrs. Barbara Johnston or Maclachlan, -	1,316	2,000
,, ,, James Henry Burns as Executor, and as representing the interest of the said Margaret Mair Johnston or Burns in the said firm, - - - - -	1,456	2,000
,, ,, Archibald Johnston Neilson as representing himself and the other representatives of said Agnes Johnston or Neilson, - - - - - -	1,165	2,000
	12,000	18,000

The Limited Company shall be fully exonered in allotting and issuing the foregoing shares in terms of this Agreement.

Fifth.—The Sellers shall be bound on the allotment and issue to them as before mentioned of the said shares to grant, execute and deliver to the Limited Company all Dispositions, Conveyances and other Deeds requisite for vesting the Limited Company in the subjects of sale.

Sixth.—The Limited Company shall accept the Titles of the Sellers to the subjects of sale as they severally stand subject to all the conditions and prohibitions and servitudes contained in the Title Deeds of the heritable properties or otherwise affecting the same, and shall not object thereto on any ground whatever, nor to the Conveyances or other Deeds being

granted direct to the Limited Company by the Sellers or any of them as Trustees for the said dissolved firm of Frederick Johnston and Company, and the Limited Company shall not be entitled to call upon the Sellers to furnish any Searches for Incumbrances.

Seventh.—The Limited Company shall pay and discharge the whole outstanding Accounts, and other obligations of whatever description, of the said firm of Frederick Johnston and Company as at the close of the 31st December, 1928, and shall indemnify the Sellers against all proceedings claims and demands in respect thereof, and as and from 1st January, 1929, and the Limited Company shall perform, implement and fulfil the whole current contracts, and other commitments applicable to the said business including all leases and tenancy agreements and indemnify the Sellers of and from all proceedings, claims and demands in respect of same.

Eighth.—All Books containing a record of the transactions of the said firm of Frederick Johnston & Company shall be delivered to and retained by the Limited Company.

Ninth.—The whole expenses of and incident to the formation and incorporation of the Company, this Agreement, and all stamp duties and other outlays, shall be borne and paid by the Sellers.

Tenth.—In the event of any difference of opinion arising between the parties hereto concerning these presents, or the interpretation and carrying out thereof or any matter in any way connected with these presents, or the operation and implement of same, or the rights, duties or liabilities of the parties hereto in connection with the premises, then and in any such case the question or matter in dispute shall be referred to the amicable decision of the Sheriff-Substitute for the time being at Falkirk whose decision or decisions shall be final and binding on all parties, and the parties hereto consent to the registration hereof for preservation and execution IN WITNESS WHEREOF: these presents consisting of this and the seven preceding pages are executed in duplicate by the parties as follows *videlicet*: They are sealed with the common seal of and are signed for and on behalf of said Limited Company by the said Frederick Johnston, Managing Director; Thomas Johnston, Director, and James William Burns, Solicitor, Falkirk, Secretary, all at Falkirk, on the Twenty-first day of January, Nineteen hundred and twenty-nine, before these witnesses William Craigie

Murray, Sub-Editor, and John Hart, Clerk, both of One hundred and twenty-five High Street, Falkirk, and they are signed by the said Frederick Johnston and Company (the signature of said firm being adhibited by said Frederick Johnston) and by the said Frederick Johnston and Thomas Johnston, all at Falkirk, on the said day, month and year aforesaid, before these witnesses the said William Craigie Murray and John Hart; by the said Archibald Johnston Neilson at Glasgow, on the Twenty-second day of said month and year aforesaid, before these witnesses Marjorie Fairlie, Typist, and George Russell Wells, Clerk, both of One hundred and eighty-three West George Street, Glasgow; by the said James Henry Burns at Torquay, on the Twenty-fourth day of said month and year aforesaid, before these witnesses Henry Beaufort Price and Cecil Charles Langley, both Cashiers to the Westminster Bank Limited, Torquay, and by the said John Archibald Johnston and Barbara Johnston or Maclachlan (subscribing Barbara J. Maclachlan), both at Dumfries, on the Twenty-ninth day of said month and year aforesaid, before these witnesses Mary Isabella Wilson and Janet Fraser, both Domestic Servants at Marchmount, Dumfries.

(Sgd.) MARY I. WILSON, *Witness.*
„ JANET FRASER, *Witness.*
„ HENRY B. PRICE, *Witness.*
„ CECIL C. LANGLEY, *Witness.*
„ MARJORIE FAIRLIE, *Witness.*
„ GEORGE R. WELLS, *Witness.*
„ WM. C. MURRAY, *Witness.*
„ JOHN HART, *Witness.*

(Sgd.) F. JOHNSTON & Co.
„ FRED. JOHNSTON.
„ THOMAS JOHNSTON.
„ JOHN ARCH. JOHNSTON.
„ BARBARA J. MACLACHLAN.
„ J. H. BURNS.
„ A. J. NEILSON.
„ FRED. JOHNSTON, *Managing Director.*
„ THOMAS JOHNSTON, *Director.*
„ J. W. BURNS, *Secretary.*

SEAL.

THE COMPANIES ACTS, 1948 TO 1976

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
(as altered on 31st July, 1978)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1928.

MacRobert, Son & Hutchison,
Solicitors,
GLASGOW.

Office

THE COMPANIES ACTS, 1948 TO 1976

15382/1/98

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
(as altered on 31st July, 1978)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1928.

Registered in terms of the European Communities Act, 1972.

M. Quigley
Secretary.

MacRobert, Son & Hutchison,
Solicitors,
GLASGOW.

Companies Registration
31 AUG 1978
Office

COMPANIES REGISTRATION
23 AUG 1978
OFFICE

The Companies Acts, 1908 to 1917.

COMPANY LIMITED BY SHARES.

Memorandum of Association

OF

F. JOHNSTON & COMPANY, LIMITED.

I. The name of the Company is "F. JOHNSTON & COMPANY, LIMITED."

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

III. The objects for which the Company is established are:—

(*a*) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic work of any description and to acquire the goodwill and assets of and continue the publication of any existing newspapers, periodicals, or other publications, and in particular to acquire the business of Frederick Johnston & Company, printers and publishers and proprietors of the *Falkirk Herald* and *Linlithgowshire Gazette* newspapers and carrying on business at Falkirk, Linlithgow, Grangemouth, and elsewhere, together with the whole property and assets, heritable and moveable, belonging to or held in trust for the said Frederick Johnston & Company, and for this purpose to enter into and carry into effect a Minute of Agreement proposed to be entered into immediately after the incorporation of the Company between the said Frederick Johnston & Company and the partners and proprietors thereof on the one part, and the Company

on the other part, and of which proposed Agreement a draft has been docquetted and signed by the first parties thereto.

(*b*) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(*c*) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may seem expedient.

(*d*) To undertake and transact all kinds of agency business, to manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(*e*) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings, and to construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(*f*) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(*g*) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock, or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(*h*) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(*i*) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock, or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or underwrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares,

stock, or securities amongst the members of the Company in specie.

(*j*) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any business capable of being conducted so as directly or indirectly to benefit the Company.

(*k*) To pay for any business, undertaking, property, or rights, heritable or moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(*l*) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments, or otherwise, or in shares of any company or corporation with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(*m*) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company, and in such manner as may from time to time be determined (and that free from the restrictions imposed by statute upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(*n*) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, deben-

tures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bills of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To grant guarantees for the indebtedness or obligations of any Company, Firm or Person, and to secure the performance thereof by a charge or lien upon the whole of any part of the Company's assets including uncalled Capital or in any other manner or way as the Company shall see fit.

(q) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissory notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(r) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(s) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(t) To remunerate any person, firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise.

(u) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may determine, and for that purpose to apply part of the profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(v) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(w) To modify from time to time, by special resolution, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the share capital into shares of larger or smaller amount that the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction required by law and the regulations of the Company.

(x) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(y) To do all such other things as are incidental or condicive to the attainment of the above objects.

IV. The liability of the members is limited.

V. The share capital of the Company is £20,000 divided into 12,000 Preference Shares of £1 each, and 18,000 Ordinary Shares of £1 each. The Preference Shares shall be entitled to a fixed cumulative preferential dividend of 6 per cent. per annum upon the amount paid up thereon from time to time, and shall rank both as regards such dividend and as regards capital in priority to the holder or holders of the ordinary shares.

WE, the several persons whose names and addresses are subscribed, are desirour of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number and class of shares in the capital of the Company set opposite our respective names.

Names, Addresses, and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
(Sgd.) FRED. JOHNSTON, 125 High Street, Falkirk, Printer and Publisher, - - - - - - - - -	One Ordinary Share.
(Sgd.) JOHN ARCH. JOHNSTON, Marchmount, Dumfires, Retired Clergyman - - - - - -	One Ordinary Share.

Dated the Twenty-fourth day of December, Nineteen hundred and twenty-eight.

Witness to the above Signatures -

(Sgd.) MARGARET STEVENSON,
61 High Street, Falkirk.
Typist.

THE COMPANIES ACTS, 1948 TO 1

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
(as altered on 31st July, 1978)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1928.

MacRobert, Son & Hutchison,
Solicitors,
GLASGOW.

SPECIAL RESOLUTION

(pursuant to Section 141 (2) of the Companies Act, 1948)

of

F. JOHNSTON & COMPANY, LIMITED

Passed : Monday, 23rd June, 1980.

At an EXTRAORDINARY GENERAL MEETING of F. JOHNSTON & COMPANY, LIMITED duly convened and held at 125 High Street, Falkirk on Monday, 23rd June, 1980, the following RESOLUTION was passed as a SPECIAL RESOLUTION :-

R E S O L U T I O N

"That :-

(1) the provisions of the Memorandum of Association of the Company with respect to the objects of the Company be altered :-

(a) by the inclusion of the following new paragraph in Clause III immediately following paragraph (t), such new paragraph to be lettered "(u)" :-

"(u) To give or award pensions, annuities, gratuities, superannuatic or other allowances or benefits, to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of, or allied or associated with, the Company or any such holding company or subsidiary company, and to the wives, widows, children and other relatives and dependants of any such persons; to set up, establish, support and maintain pension, superannuation and other funds o schemes /

CO...
21 AUG 1980
OFFICE

schemes (whether contributory or noncontributory) and to make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them; to support or subscribe to any charitable funds or institution the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees; and to subscribe or guarantee money for any exhibition or for any public, general or useful object." and

(b) by re-lettering the existing paragraphs "(u)" to "(y)" inclusive of Clause III as "(v)" to "(z)" inclusive, and

(2) that the Regulations contained in the printed document submitted to the Meeting and, for the purpose of identification, subscribed by the Chairman thereof, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof.

DIRECTOR.

Registered Office :

53 Manor Place,
EDINBURGH.

15382/108

THE COMPANIES ACTS, 1948 to 1976

Registered in terms of
Section 9 of the European
Communities Act, 1972.

DIRECTOR.

COMPANY LIMITED BY SHARES

MEMORANDUM

(as altered on 23rd June, 1980)

and

ARTICLES OF ASSOCIATION

(as adopted on 23rd June, 1980)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1928.

MacRobert Son & Hutchison,
Solicitors,
GLASGOW.

21 AUG 1980

THE COMPANIES ACTS, 1908 to 1917

COMPANY LIMITED BY SHARES

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of

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(a) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic work of any description and to acquire the goodwill and assets of and continue the publication of any existing newspapers, periodicals, or other publications, and in particular to acquire the business of Frederick Johnston & Company, printers and publishers and proprietors of the Falkirk Herald and Linlithgowshire Gazette newspapers and carrying on business at Falkirk, Linlithgow, Grangemouth, and elsewhere, together with the whole property and assets, heritable andmoveable, belonging to or held in trust for the said Frederick Johnston & Company, and for this purpose to enter into and carry into effect a Minute of Agreement proposed to be entered into immediately after the incorporation of the Company between the said Frederick Johnsto Company /

Company and the partners and proprietors thereof on the one part, and the Company on the other part, and of which proposed Agreement a draft has been docquetted and signed by the first parties thereto.

(b) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(c) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may seem expedient.

(d) To undertake and transact all kinds of agency business, to manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(e) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings, and to contruct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(f) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences /

licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(g) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(h) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(i) To /

(i) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock, or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or underwrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares, stock, or securities amongst the members of the Company in specie.

(j) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any business capable of being conducted so as directly or indirectly to benefit the Company.

(k) To pay for any business, undertaking, property, or rights, heritable or moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(l) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments, or otherwise, or in shares of any company or corporation with /

with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(m) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company, and in such manner as may from time to time be determined (and that free from the restrictions imposed b statute upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(n) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, debentures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bil of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To grant guarantees for the indebtedness or obligations of any Company, Firm or Person, and to secure the performance thereof by a charge or lien upon the whole of any part of the Company's assets including /

including uncalled Capital or in any other manner or way as the Company shall see fit.

(q) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissory notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(r) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(s) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(t) To remunerate any person, firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise

(u) To give or award pensions, annuities, gratuities, superannuation or other allowances or benefits, to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of, or allied or associated with, the Company or any such holding company or subsidiary company, and to the wives, widows, children and other relatives and dependants of any such persons; to set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or noncontributory) and to make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) /

otherwise) for the benefit of such persons or any of them or any class of them; to support or subscribe to any charitable funds or institution the support of which may, in the opinion of the Directo be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees; and to subscribe or guarantee money for any exhibition or for any public, general or useful object.

(v) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may determine, and for that purpose to apply part of the profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(w) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(x) To modify from time to time, by special resultion, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the sh capital into shares of larger or smaller amount than the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction /

sanction required by law and the regulations of the Company.

(y) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(z) To do all such other things as are incidental or conducive to the attainment of the above subjects.

IV. The liability of the members is limited.

V. The share capital of the Company is £30,000 divided into 12,000 Preference Shares of £1 each, and 18,000 Ordinary Shares of £1 each. The Preference Shares shall be entitled to a fixed cumulative preferential dividend of 6 per cent. per annum upon the amount paid up thereon from time to time, and shall rank both as regards such dividend and as regards capital in priority to the holder or holders of the ordinary shares.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Associatio and we respectively agree to take the number and class of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.

Dated the day of , Nineteen hundred and

Witness to the above Signatures :-

THE COMPANIES ACTS 1948 to 1976

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED
(as adopted 23rd June, 1980)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule of the Companies (Consolidation) Act 1908 or contained or as altered in pursuance of any subsequent Act shall apply to the Company and are hereby expressly excluded.

2. The Regulations contained in and applied by Part II of Table A in the First Schedule of the Companies Act, 1948 as amended by the Companies Acts 1967 to 1976 (hereinafter referred to as "Table A"), in so far as not excluded, altered or modified by or inconsistent with the following Articles, shall apply to the Company and be deemed to be incorporated herein.

3. Regulations 7, 11, 24, 75, 77, 84 (2), 84 (4), 87, 88 (a), and 128 and 129 or Part I of Table A and Regulations 3 and 4 of Part II of Table A shall not apply to the Company and are hereby expressly excluded. The following Regulations of Part I of Table A shall be modified :-

Regulation 15 so that the words "provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call" shall be held to be delete.

Regulation 22 so that the words "(except in the case of fully paid shares) by or on behalf of the" shall be inserted immediately before the word "transferee" where it first appears in this Regulation.

Regulation 32 so that the proviso thereto shall be held to be delete.

Regulation 33 so that there shall be added at the end thereof the words " and all expenses that may have been incurred by the Company by reason of such non-payment".

Regulation /

Regulation 45 paragraph (b) so that there shall be added at the end of the paragraph - "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".

Regulation 52 so that the words "the fixing of the remuneration of the Directors" shall be inserted immediately after the word "retiring".

Regulation 53 so that the word "two" shall be substituted for the word "three".

Regulation 58 so that in paragraph (b) the words "two members" shall be substituted for the words "three members".

Regulation 60 so that the words "provided always that he is a Member of the Company" shall be inserted after the word "shall".

Regulation 76 so that the words "and shall be divided amongst them as they shall agree and failing agreement equally" shall be inserted after the word "meeting" at the end of the first sentence.

Regulation 79 so that the proviso thereto shall be held to be delete.

Regulation 86 so that the words "and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose" shall be held to be delete.

Regulation 107 so that the words "or to hold any other executive office" shall be inserted immediately after the words "managing director" where they first appear.

Regulations 108 and 109 so that the words "or a director appointed to hold any other executive office" shall be inserted immediately after the words "managing director" in all places where such last mentioned words appear in these Regulations.

Unless otherwise required by the context of these Articles and Table A, in so far as not excluded and as modified in terms of this Article, words importing the singular number shall include the plural and vice versa and words importing the masculine gender shall include the feminine.

4. Any branch or kind of business which, by the Memorandum of Association of the Company or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

SHARE CAPITAL

5. The share capital of the Company at the date of the adoption of these Articles is £120,000 divided into 12,000 Preference Shares of £1 each and 108,000 Ordinary Shares of £1 each.

6. The holders of the said Preference Shares shall be entitled to a cumulative preferential dividend out of profits at the rate of 4.2 per cent. per annum on the amount paid up thereon for the time being, such rate being exclusive of a tax credit at a rate equivalent to that of Advance Corporation Tax payable by the Company. After making provision for same and setting aside such sums as may be determined for reserves, any balance of profits shall each year be divisible among the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them. In the event of the Company being wound up the surplus assets, including any reserve funds, shall be applied as follows, viz. :- In payment to the Preference Shareholders of the amount credited as paid on their shares together with any past due dividends, and thereafter the whole balance remaining shall belong to the holders of the Ordinary Shares and be payable to them in proportion to their respective holdings thereof.

SHARES

7. Subject to Article 8 hereof, the shares shall be under the control of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and upon such terms and conditions as the Directors may determine but so that no share shall be issued at a discount except in accordance with Section 57 of the Companies Act, 1948.

8. Unless /

Meeting any unissued shares in the capital for the time being of the Company after the first allotment of shares shall be offered in the first instance to all the Members for the time being of the Company in proportion to the nominal amounts of the Preference and/or Ordinary Shares in the capital of the Company held by them respectively. Such offer shall be made by notice specifying the number of shares for which such Members respectively are entitled to subscribe and limiting the time within which the offer, if not accepted, shall be deemed to be declined and, after the expiration of such time or on receipt of an intimation from any Member to whom such notice may have been given that he declined to accept the shares offered, the Directors may dispose of such shares as they may think fit. The Directors may likewise dispose of any unissued shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same, cannot in the opinion of the DIrectors be conveniently offered under this Article.

9. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purpo of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereo for the time being or such other rights in the case of transmission thereof as are mentioned in Part I of Table A.

10. The Directors shall not be entitled to decline to register the Executo Administrators or Trustees of a deceased Member as holders of the shares held by such deceased Member, and Regulations 30 and 31 of Part I of Table A shall be modified accordingly.

TRANSFER OF SHARES

11. Subject /

11. Subject to Articles 12 and 13 hereof all transfers of shares of the Company shall be subject to the approval and sanction of the Directors, and the Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of any share, and the right to transfer the Shares of the Company is restricted accordingly.

12. Notwithstanding the provisions of Article 11 hereof, the Directors shall be bound to register any transfer of shares in favour of any member of the Company who may have been a partner of the said firm of Frederick Johnston & Company, also a transfer in favour of any of the representatives of any of such partners who may die after the date of the incorporation of the Company or who may have been deceased prior to said date, provided that such representatives shall have the option of being registered either as joint holders or as individual shareholders. For the purposes of this Article and of Article 18 the expression "representatives" shall only be deemed to include and shall be limited to husbands and wives, descendants, brothers and sisters, or nephews and nieces, or to a Trustee or Executor or a body of Trustees or Executors acting for such husbands and wives, descendants, brothers and sisters, or nephews and nieces.

13'(a). Every shareholder and also every person referred to in Regulation 31 of Table A who intends to dispose of his or her shares (such shareholder or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors thereof of his intention. This notice shall constitute the Board his agents for the sale of the said shares, in one or more lots at the discretion of the Board, to members of the Company at a price to be agreed upon by the vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the auditor of the Company for the time being in acceptable to the parties, or failing such by an Arbiter to be appointed by the parties.

(b). Upon the price being fixed as aforesaid the Board shall forthwith give /

the shares to be sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said shares.

(c). At the expiration of said twenty-one days the Board shall allocate the said shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be pro rata according to the number of shares already held by them respectively. Upon said allocation being made the vendor shall be bound on payment of the said price to transfer the shares to the purchaser or purchasers.

LIEN

14. The Company shall have a first and paramount lien and charge on all the shares (whether fully paid up or not) registered in the name of any Member (whether solely or jointly with others) and on all dividends payable thereon for all moneys due to the Company from him or his estate, either alone or jointly with any other person whether a Member or not, and whether such moneys are presently payable or not but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

DIRECTORS

15. The number of Directors shall not be less than two nor more than nine.

16. It shall not be necessary for a Director to hold any shares in the Company to qualify him to act as such Director. A Director who is not a Member of the Company shall not be entitled to vote at General Meetings of the Company but shall be entitled to receive notice of all such Meetings and to attend and speak at the same and Regulation 134 of Part I of Table A is modified accordingly.

17. A Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and shall be taken into account in reckoning the quorum present at the meeting when such contract or arrangement is under consideration.

18. Any /

attention to the Company or who otherwise performs services which in the opinion of the Directors are outwith the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Board of Directors may determine

POWERS OF DIRECTORS

19. Without restricting the generality of their powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of or allied or associated with the Company or any such holding company or subsidiary company and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

CAPITALISATION OF RESERVES

20. The Company may, upon the recommendation of the Board, by Ordinary Resolution resolve that any sum not required for the payment of any fixed preferential dividend and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any share premium account and any capital redemption reserve fund) or (B) being undivided net profits in the hands of the Company be capitalised and accordingly that the Board be authorised and directed to appropriate such sum as capital to the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares of the Company and to apply/

apply such sum on their behalf, either in or towards paying up the amounts, any, for the time being unpaid on any shares held by the Ordinary Shareholde respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to the sum resolved to be capitalised, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst the Ordinary Shareholders in the proportions aforesai or partly in one way and partly in the other: Provided that a sum standing to the credit of a share premium account or a capital redemption reserve fur may only be applied hereunder in the paying up of unissued shares to be issued to the Ordinary Shareholders as fully paid.

21. Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of such sum resolved to capitalised thereby, and all allotments and issued of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as i thinks fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Ordinary Shareholders 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 payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum resolved to 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 Shareholders.

SECRECY

22. No Member, of General or other Meeting of Members, 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, or which may relate to the conduct /

conduct of the business of the Company, and which in the opinion of the Directors it would be inexpedient in the interest of the Company to communicate to the public.

What is contained in this and the eight preceding pages is a print of the Articles of Association of the Company adopted by Special Resolution passed at an Extraordinary General Meeting of the Company on 23rd June, 1980.

DIRECTOR.

THE COMPANIES ACTS, 1948 to 1981

15382/12

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION
(Pursuant to Section 141 (2) of the Companies Act, 1948)

of

F. JOHNSTON & COMPANY, LIMITED

PASSED : 22ND APRIL, 1983

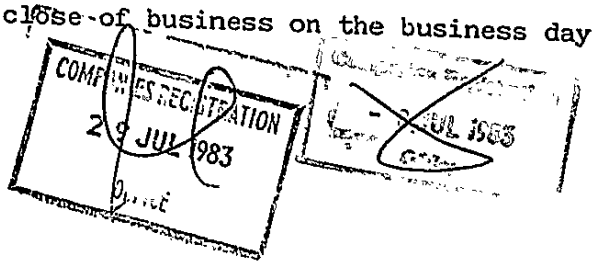
AT AN EXTRAORDINARY GENERAL MEETING of F. JOHNSTON & COMPANY, LIMITED duly convened and held at 53 Manor Place, Edinburgh, EH3 7EG on 22nd April, 1983, the following Resolution was passed as a SPECIAL RESOLUTION :-

RESOLUTION

That :-

(A) (i) the authorised share capital of the Company be increased from £120,000 to £1,500,000 by the creation of 756,000 12¾ per cent Cumulative Preference Shares of £1 each and 624,000 new Ordinary Shares of £1 each having respectively the rights and being subject to the restrictions set out in the new Article of the Company's Articles of Association substituted by Paragraph (B) of this Resolution.

(ii) upon the recommendation of the Directors it is desirable to capitalise the sum of £1,350,000 (being part of the amount standing to the credit of the Company's Revenue Reserves) and, accordingly, that such sum be set free for distribution amongst the Members registered at the close of business on the business day immediately prior /...



prior to the passing of this Resolution as the holders of the 54,000 Ordinary Shares of £1 each which, on that date, were issued and fully paid in the proportions in which such Members would have been entitled thereto if the same had been distributed by way of dividend on the said 54,000 Ordinary Shares of £1 each on the condition that such sum be not paid in cash but be applied on behalf of such Members in paying up in full at par :-

(a) 594,000 new Ordinary Shares of £1 each of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion of 11 new Ordinary Shares of £1 each for each Ordinary Share held at the close of business on such business day, such new Ordinary Shares so allotted and distributed to rank pari passu in all respects with the existing issued Ordinary Shares of £1 each in the capital of the Company except that they will not carry any right to receive any dividend declared or to be declared or paid on the Ordinary Shares in the capital of the Company in respect of any period ended on or prior to 31st December, 1982; and

(b) 756,000 Cumulative Preference Shares of £1 each of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion of 14 Cumulative Preference Shares of £1 for each Ordinary Share held at the close of business on such business day.

(iii) Forthwith upon the allotment of the said 594,000 Ordinary Shares of £1 each and the said 756,000 Cumulative Preference Shares of £1 each, each of the existing issued 12,000 Preference Shares of £1 each of the Company be converted into 1 Ordinary Share of /...

of £1, such Ordinary Shares resulting from such conversion to rank pari passu in all respects with the existing issued Ordinar Shares of £1 each in the capital of the Company except that they will not carry any right to receive any dividend declared or to be declared or paid on the Ordinary Shares in the capital of the Company in respect of any period ended on or prior to 31st December, 1982.

(B) The Articles of Association of the Company be and they are hereby altered

(1) by the deletion in the fifth line of Article 8 of the words "Prefe and/or";

(2) by the deletion in the first and second lines of Article 13 (a) of the word "shareholder" and substitution of the words "holder of Ordinary Shares";

(3) by the insertion in the second line of Article 13 (a) between the words "her" and "shares" of the words "holding of Ordinary";

(4) by the deletion in the second line of Article 13 (b) of the word "Shareholders" and by the substitution of the words "holders of Ordinary Shares";

(5) by the insertion in the fourth line of Article 13 (c) between the words "number of" and "shares" of the word "Ordinary";

(6) by the deletion of Articles 5 and 6 and the substitution of new Articles 5 and 6 to read as follows :-

"5. The Share Capital of the Company at the date of substitution of this Article is £1,500,000 divided into 756,000 12¾ per cent Cumulative Preference Shares of £1 each, ("the Preference Shares") and 744,000 Ordinary Shares of £1 each ("the Ordinary Shares")."

"6. The /...

"6. The rights attaching to the respective classes of Shares shall be as follows :-

(I) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied :-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 12¾ per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates except that the first payment shall be due on 30th June, 1983 in respect of the period from 22nd April, 1983 to 30th June, 1983.

(b) second in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(II) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied :-

(a) first in paying to the holders of the Preference Shares :-

(i) the /...

(i) the amount paid up on such Shares;

(ii) subject thereto the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Shar over the nominal amount paid up thereon.

For the purposes of this Article, the market value of each Share shall be deemed to be :-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Prefere Shares in each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up or (in any other case) the date which is seven days prior to the day of posting of notice convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in /...

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 12¾ per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercia and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(III) AS REGARDS FURTHER ISSUES OF SHARES

The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by /...

by the creation or issue of further Preference Shares ranking as regards participation in the profits or assets of the Company pari passu with the Preference Shares;

(IV) RESTRICTIONS

(i) The Directors shall not save with the sanction of an Extraordinary Resolution of the holders of the Preference Shares passed at a separate meeting of the Members of that class permit or procure :-

(a) the Company to enter into any arrangements which could, at the time of entering into such arrangements, be reasonably expected to result in a fundamental change in the nature of the principal trading activities of the Company and its subsidiaries ("the Group"); or

(b) the sale or other disposal of the whole or substantially the whole of the Group's business or

(c) any Company in the Group (each of which is hereinafter referred to as "Group Company") to invest whether by way of purchase of or subscription for Shares or by way of loan of any description more than £50,000 in any company ("the recipient company") (or the holding company or subsidiary company of any such company) whereof more than 25 per cent /...

cent of the equity share capital is held by Directors of a Group Company or any of them or any person connected with any of them (as such persons described in Section 64 of the Companies Act, 1980) except where the recipient company or the holding company of a recipient company is a subsidiary of the Company. The expressions "holding company", "subsidiary company" and "equity share capital" shall have the meanings respectively assigned to them by Section 154 of the Companies Act, 1948; or

(d) the Company to exercise, in any financial year, any power conferred upon it, whether by law or under its Articles of Association, to purchase its own Shares, for a total cost, excluding expenses, of more than £50,000.

(ii) (A) Save with the sanction of an Extraordinary Resolution of the holders of Preference Shares passed in manner aforesaid, the Directors shall restrict the borrowings of the Company and shall so far as may be possible by the exercise of all rights and powers vested in them restrict the borrowings of all other Group companies so as to procure that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group shall not at any time exceed a sum equal to the aggregate of :-

(1) the /...

(1) the nominal amount for the time being paid up on the issued share capital of the Company; and

(2) the sum shown by the latest audited consolidated Balance Sheet of the Company and its subsidiary companies to be standing to the credit of capital and revenue reserves of the Group including Share Premium Account but after :-

(a) excluding the amount of any reserve for deferred taxation; and

(b) excluding the nominal amount paid up on any capital of any subsidiary company which is held otherwise than by a Group Company; and

(c) making such other adjustments as may in the opinion of the Auditors of the Company be required or appropriate to take proper account of any material changes in the capital or reserves of the Group which either have occurred since the date of such consolidated Balance Sheet or would result from completion of any transaction in connection with which the calculation required by reason of this present Article is to be made and for the purposes of this present provision "material changes" shall mean any changes which, in the aggregate, amount to 5 per cent /...

cent of the share capital of the Company and the capital and revenue reserves of the Group as shown in such consolidated Balance Sheet.

(B) There shall not be taken into account for the purpose of calculating the aggregate borrowings of the Group :-

(1) the debts (whether or not secured) of a Group Company to any other Group Company;

(2) any sums borrowed against the security of any land or buildings of any tenure acquired by the Group after the date of adoption of this present Article or raised for the purpose of acquiring any such land or buildings if the sums so raised are so applied;

(3) the amount of any mortgage or charge subject to which any such land or buildings are acquired;

(4) any sums of money intended to be applied and actually applied within four calendar months after their receipt in the repayment or conversion (with or without premium) of any other subsisting borrowings of the Group notwithstanding that the same may result in the limit prescribed by this present Article being temporarily exceeded;

(5) any moneys temporarily deposited with a Group Company by way of the Group's employees or customers.

(C) Save /...

(C) Save as provided in sub-paragraph (B) above the expression "borrowings" shall mean :-

(1) all sums for the time being remaining owing under debentures created by any Group Company (notwithstanding such debenture may have been issued for a consideration other than cash);

(2) all unsecured debts of the Group to its bankers;

(3) the nominal amount paid up on any share capital (other than equity share capital as such expression is defined in Section 154 of the Act) of any subsidiary company and which is not for the time being owned beneficially by any Group Company;

(4) the amount of any contigent liability under all guarantees entered into by any Group Company otherwise than in the normal course of its business.

(D) In the event of any doubt as to the upper limit of borrowings permitted by this Article, the matter shall be referred to the Auditors of the Company (acting as experts and not arbitrators) whose certificate as to the aggregate amount of the share capital of the Company and consolidated capital and revenue reserves of the Group (adjusted to give effect to the provisions of this present Article) shall be conclusive.

(V) AS REGARDS VOTING

The Preference Shares shall entitle the holders to receive /...

receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either :-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the date mentioned in Paragraph (I) (a) of this Article, in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding-up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him."

SECRETARY.

Registered Office :

53 Manor Place,
EDINBURGH, EH3 7EG.

Form No

THE COMPANIES ACTS 1948 TO 1976

Notice of increase in nominal capital

Pursuant to section 63 of the Companies Act 1948

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1 2 1]

Company number 15382

Name of Company

F. JOHNSTON & COMPANY

Limited*

*delete if inappropriate

hereby gives you notice in accordance with section 63 of the Companies Act 1948 that by [ordinary] [~~extraordinary~~] [special]† resolution of the company dated 22nd April, 1983

†delete as appropriate

the nominal capital of the company has been increased by the addition thereto of the sum of

£ 1,380,000 beyond the registered capital of £ 120,000

Note
This notice and a printed copy of the resolution authorising the increase must be forwarded to the Registrar of Companies within 15 days after the passing of the resolution

A printed copy of the resolution authorising the increase is forwarded herewith

The additional capital is divided as follows:

Number of shares	Class of share	Nominal amount of each share
756,000	12¾% Cum. Pref. Shares	£1
624,000	Ordinary	£1

(If any of the new shares are preference shares state whether they are redeemable or not)
The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follows:

as detailed in Articles of Association adopted 22nd April, 1983.

Please tick here if continued overleaf ☐

Signed [signature] [Director] [~~Secretary~~]‡ Date 25 July 83

‡delete as appropriate

Presentor's name, address and reference (if any):

MacRobert Son & Hutchison,
91 West George Street,
Glasgow, G2 1PA.

DF/ID/LC/17177

For official use
General section

Post room

COMPANIES REGISTRATION OFFICE 29 JUL 1983

THE COMPANIES ACTS, 1948 to 1981

15382/122

COMPANY LIMITED BY SHARES

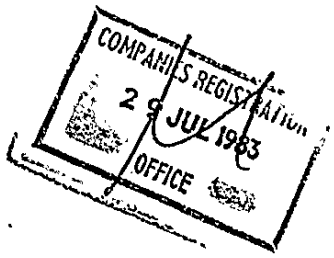
ARTICLES OF ASSOCIATION

(as altered on 22nd April, 1983)

of

F. JOHNSTON & COMPANY, LIMITED

Incorporated : 31st December, 1928.



MacRobert Son & Hutchison,
Solicitors,
GLASGOW.

THE COMPANIES ACTS 1948 to 1981

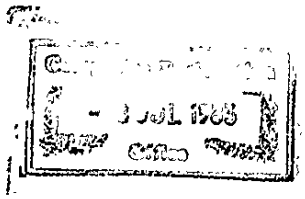
COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED

(as altered on 22nd April,1983)



PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule of th Companies (Consolidation) Act 1908 or contained or as altered in pursuance of any subsequent Act shall apply to the Company and are hereby expressly excluded.

2. The Regulations contained in and applied by Part II of Table A in the First Schedule of the Companies Act, 1948 as amended by the Companies Acts 1967 to 1976 (hereinafter referred to as "Table A"), in so far as not exclude altered or modified by or inconsistent with the following Articles, shall app to the Company and be deemed to be incorporated herein.

3. Regulations 7, 11, 24, 75, 77, 84 (2), 84 (4), 87, 88 (a), and 128 and 129 of Part I of Table A and Regulations 3 and 4 of Part II of Table A shall not apply to the Company and are hereby expressly excluded. The following Regulations of Part I of Table A shall be modified :-

Regulation 15 so that the words "provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call" shall be held to be delete.

Regulation 22 so that the words "(except in the case of fully paid shares by or on behalf of the" shall be inserted immediately before the word "transf where it first appears in this Regulation.

Regulation 32 so that the proviso thereto shall be held to be delete.

Regulation 33 so that there shall be added at the end thereof the words "and /...

"and all expenses that may have been incurred by the Company by reason of such non payment".

Regulation 45 paragraph (b) so that there shall be added at the end of the paragraph - "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".

Regulation 52 so that the words "the fixing of the remuneration of the Directors" shall be inserted immediately after the word "retiring".

Regulation 53 so that the word "two" shall be substituted for the word "three".

Regulation 58 so that in paragraph (b) the words "two members" shall be substituted for the words "three members".

Regulation 60 so that the words "provided always that he is a Member of the Company" shall be inserted after the word "shall".

Regulation 76 so that the words "and shall be divided amongst them as they shall agree and failing agreement equally" shall be inserted after the word "meeting" at the end of the first sentence.

Regulation 79 so that the proviso thereto shall be held to be delete.

Regulation 86 so that the words "and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose" shall be held to be delete.

Regulation 107 so that the words "or to hold any other executive office" shall be inserted immediately after the words "managing director" where they first appear.

Regulations 108 and 109 so that the words "or a director appointed to hold any other executive office" shall be inserted immediately after the words "managing director" in all places where such last mentioned words appear in these Regulations.

Unless /...

Unless otherwise required by the context of these Articles and Table A, in so far as not excluded and as modified in terms of this Article, words importing the singular number shall include the plural and vice versa and words importing the masculine gender shall include the feminine.

BUSINESS

4. Any branch or kind of business which, by the Memorandum of Association of the Company or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

SHARE CAPITAL

5. The Share Capital of the Company at the date of substitution of this Article is £1,500,000 divided into 756,000 12¾ per cent Cumulative Preference Shares of £1 each, ("the Preference Shares") and 744,000 Ordinary Shares of £1 each ("the Ordinary Shares").

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

(I) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied :-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 12¾ per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates except that the first payment shall /...

shall be due on 30th June, 1983 in respect of the period from 22nd April, 1983 to 30th June, 1983;

(b) second in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(II) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied :-

(a) first in paying to the holders of the Preference Shares :-

(i) the amount paid up on such Shares;

(ii) subject thereto the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Share shall be deemed to be :-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares in each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up (in any other case) the date which is seven days prior to the day of posting of notice convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and /...

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 12¾ per cent (grossed up to take acount of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(III) AS REGARDS FURTHER ISSUES OF SHARES

The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further Preference Shares ranking as regards participation in the profits or assets of the Company pari passu with the Preference Shares;

(IV) RESTRICTIONS

(i) The Directors shall not save with the sanction of an Extraordinary Resolution of the holders of the Preference Shares passed at a separate meeting of the Members of that class permit or procure :-

(a) the /...

(a) the Company to enter into any arrangements which could, at the time of entering into such arrangements, be reasonably expected to result in a fundamental change in the nature of the principal trading activities of the Company and its subsidiaries ("the Group"); or

(b) the sale or other disposal of the whole or substantially the whole of the Group's business; or

(c) any Company in the Group (each of which is hereinafter referred to as "Group Company") to invest whether by way of purchase of or subscription for Shares or by way of loan of any description more than £50,000 in any company ("the recipient company") (or the holding company or subsidiary company of any such company) whereof more than 25 per cent of the equity share capital is held by Directors of a Group Company or any of them or any person connected with any of them (as such persons are described in Section 64 of the Companies Act, 1980) except where the recipient company or the holding company of a recipient company is a subsidiary of the Company. The expressions "holding company", "subsidiary company" and "equity share capital" shall have the meanings respectively assigned to them by Section 154 of the Companies Act, 1948; or

(d) the Company to exercise, in any financial year, any power conferred upon it, whether by law or under its Articles of Association, to purchase its own Shares, for a total cost, excluding expenses, of more than £50,000.

(ii) (A) Save with the sanction of an Extraordinary Resolution of the /...

the holders of Preference Shares passed in manner aforesaid, the Directors shall restrict the borrowings of the Company and shall so far as may be possible by the exercise of all rights and powers vested in them restrict the borrowings of all other Group Companies so as to procure that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group shall not at any time exceed a sum equal to the aggregate of :-

(1) the nominal amount for the time being paid up on the issued share capital of the Company; and

(2) the sum shown by the latest audited consolidated Balance Sheet of the Company and its subsidiary companies to be standing to the credit of capital and revenue reserves of the Group including Share Premium Account but after :-

(a) excluding the amount of any reserve for deferred taxation; and

(b) excluding the nominal amount paid up on any capital of any subsidiary company which is held otherwise than by a Group Company; and

(c) making such other adjustments as may in the opinion of the Auditors of the Company be required or appropriate to take proper account of any material changes in the capital or reserves of the Group which either have occurred since the date of such consolidated Balance Sheet or would result from completion of any transaction in connection with which the calculation required by reason of this present Article is to be made and for the purposes of this present provision "material changes" shall mean any changes which, in the aggregate, amount to 5 per cent /...

cent of the share capital of the Company and the capital and revenue reserves of the Group as shown in such consolidated Balance Sheet.

(B) There shall not be taken into account for the purpose of calculating the aggregate borrowings of the Group :-

(1) the debts (whether or not secured) of a Group Company to any other Group Company;

(2) any sums borrowed against the security of any land or buildings of any tenure acquired by the Group after the date of adoption of this present Article or raised for the purpose of acquiring any such land or buildings if the sums so raised are so applied;

(3) the amount of any mortgage or charge subject to which any such land or buildings are acquired;

(4) any sums of money intended to be applied and actually applied within four calendar months after their receipt in the repayment or conversion (with or without premium) of any other subsisting borrowings of the Group notwithstanding that the same may result in the limit prescribed by this present Article being temporarily exceeded;

(5) any moneys temporarily deposited with a Group Company by any of the Group's employees or customers.

(C) Save as provided in sub-paragraph (B) above the expression "borrowings" shall mean :-

(1) all sums for the time being remaining owing under debentures created by any Group Company (notwithstanding such debenture may have been issued for a consideration other than cash);

(2) all /...

(2) all unsecured debts of the Group to its bankers;

(3) the nominal amount paid up on any share capital (other than equity share capital as such expression is defined in Section 154 of the Act) of any subsidiary company and which is not for the time being owned beneficially by any Group Company;

(4) the amount of any contingent liability under all guarantees entered into by any Group Company otherwise than in the normal course of its business.

(D) In the event of any doubt as to the upper limit of borrowings permitted by this Article, the matter shall be referred to the Auditors of the Company (acting as experts and not arbitrators) whose certificate as to the aggregate amount of the share capital of the Company and consolidated capital and revenue reserves of the Group (adjusted to give effect to the provisionsof this present Article) shall be conclusive.

(V) AS REGARDS VOTING

The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either :-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the date mentioned in Paragraph (I) (a) of this Article, in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding-up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or /...

or privileges attached to such Shares and then only on such Resolutio and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

SHARES

7. Subject to Article 8 hereof, the Shares shall be under the control of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and upon such terms and conditions as the Directors may determine but so that no share shall be issued at a discount except in accordance with Section 57 of the Companies Act, 1948.

8. Unless otherwise determined from time to time by the Company in General Meeting any unissued Shares in the capital for the time being of the Company after the first allotment of Shares shall be offered in the first instance to all the Members for the time being of the Company in proportion to the nominal amounts of the Ordinary Shares in the capital of the Company held by them respectively. Such offer shall be made by notice specifying the number of Shares for which such Members respectively are entitled to subscribe and limiting the time within which the offer, if not accepted, shall be deemed to be declined and, after the expiration of such time or on receipt of an intimation from any Member to whom such notice may have been given that he declines to accept the Shares offered, the Directors may dispose of such Shares as they may think fit.

The Directors may likewise dispose of any unissued Shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered under this Article.

9. The /...

9. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the Shares of the Company. Notwithstanding any such recognitio the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any Shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such Shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any Shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in Part I of Table A.

10. The Directors shall not be entitled to decline to register the Executors, Administrators or Trustees of a deceased Member as holders of the Shares held by such deceased Member, and Regulations 30 and 31 of Part I of Table A shall be modified accordingly.

TRANSFER OF SHARES

11. Subject to Articles 12 and 13 hereof all transfers of Shares of the Company shall be subject to the approval and sanction of the Directors, and the Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of any Share, and the right to transfer the Shares of the Company is restricted accordingly.

12. Notwithstanding the provisions of Article 11 hereof, the Directors shall be bound to register any transfer of Shares in favour of any Member of the Company who may have been a partner of the said firm of Frederick Johnston & Company, also a transfer in favour of any of the representatives of any of such partners who may die after the date of the incorporation of the Company or who may have been deceased prior to the said date, provided that such representatives shall have /...

have the option of being registered either as joint holders or as individual shareholders. For the purposes of this Article the expression "representatives" shall only be deemed to include and shall be limited to husbands and wives, descendants, brothers and sisters, or nephews and nieces, or to a Trustee or Executor or a body of Trustees or Executors acting for such husbands and wives, descendants, brothers and sisters, or nephews and nieces.

13. (a) Every holder of Ordinary Shares and also every person referred to in Regulation 31 of Table A who intends to dispose of his or her Ordinary Shares (such holder of Ordinary Shares or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors thereof of his intention. This notice shall constitute the Board his agents for the sale of the said Shares, in one or more lots at the discretion of the Board, to Members of the Company at a price to be agreed upon by the Vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the Auditor of the Company for the time being if acceptable to the parties or failing such by an Arbiter to be appointed by the parties.

(b) Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the holders of Ordinary Shares of the Company of the number and price of the Shares to be sold and invite each of them to state in writing within twenty-one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said Shares.

(c) At the expiration of said twenty-one days the Board shall allocate the said Shares to or amongst the Member or Members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far /...

far as may be pro rata according to the number of Ordinary Shares already held by them respectively. Upon said allocation being made the Vendor shall be bound on payment of the said price to transfer the Shares to the purchaser or purchasers.

LIEN

14. The Company shall have a first and paramount lien and charge on all the Shares (whether fully paid up or not) registered in the name of any Member (whether solely or jointly with others) and on all dividends payable thereon for all moneys due to the Company from him or his estate, either alone or jointly with any other person whether a Member or not, and whether such moneys are presently payable or not but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

DIRECTORS

15. The number of Directors shall not be less than two nor more than nine.

16. It shall not be necessary for a Director to hold any Shares in the Company to qualify him to act as such Director. A Director who is not a Member of the Company shall not be entitled to vote at General Meetings of the Company but shall be entitled to receive notice of all such Meetings and to attend and speak at the same and Regulation 134 of Part I of Table A is modified accordingly.

17. A Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and shall be taken into account in reckoni the quorum present at the meeting when such contract or arrangement is under consideration.

18. Any Director appointed to any executive office or who devotes special attention to the Company or who otherwise performs services which in the opinion of /...

of the Directors are outwith the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Board of Directors may determine.

POWERS OF DIRECTORS

19. Without restricting the generality of their powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of or allied or associated with the Company or any such holding company or subsidiary company and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

CAPITALISATION OF RESERVES

20. The Company may, upon the recommendation of the Board, by Ordinary Resolution resolve that any sum not required for the payment of any fixed preferential dividend and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any share premium account and any capital redemption reserve fund) or (B) being undivided net profits in the hands of the Company be capitalised and accordingly that the Board be authorised and directed to appropriate such sum as capital to the Ordinary Shareholders in the /...

the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares of the Company and to apply such sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by the Ordinary Shareholders respectively, or in paying up in full unissued Shares or debentures of the Company of a nominal amount equal to the sum resolved to be capitalised, such Shares or debentures to be allotted and distributed credited as fully paid up to and amongst the Ordinary Shareholders in the proportions aforesaid or partly in one way and partly in the other: Provided that a sum standing to the credit of a share premium account or a capital redemption reserve fund may only be applied hereunder in the paying up of unissued Shares to be issued to the Ordinary Shareholders as fully paid.

21. Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of such sum resolved to be capitalised thereby, and all allotments and issues of fully paid Shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of Shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Ordinary Shareholders 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 payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum 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 Shareholders.

SECRECY

22. No /...

22. No Member, or General or other Meeting of Members, 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, or which may relate to the conduct of the business of the Company, and which in the opinion of the Directors it would be inexpedient in the interest of the Company to communicate to the public.

What is contained in this and the fifteen preceding pages is a print of the Articles of Association of the Company as altered by Special Resolution passed at an Extraordinary General Meeting of the Company on 22nd April, 1983.

DIRECTOR.

15382/132

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(pursuant to Section 378 (2) of the Companies Act 1985)

of

F. JOHNSTON & COMPANY, LIMITED

Passed 24th July 1986

At an EXTRAORDINARY GENERAL MEETING of F. JOHNSTON & COMPANY, LIMITED duly convened and held at 53 Manor Place, Edinburgh on 24th July 1986 the following Resolution was passed as a Special Resolution:-

RESOLUTION

"That:-

1. the Articles of Association of the Company be and they are hereby altered by:-

   (a) the insertion, in the first sentence of Article 12, between the words "any transfer of Shares" and "in favour of any Member" of the words "by way of gift or bequest";

   (b) the addition, at the end of the first sentence of Article 12, of the words "and also a transfer by any of such representatives to his or her spouse"; and

C.R.O. EDINBURGH
10 SEP 1986

(c) the deletion, in Article 12, of the words "Article 11 hereof" and the substitution therefor of the words "Articles 11 and 13 hereof (neither of which shall apply to any transfer specified in this Article)";

2. that the registration of each and every transfer which, prior to the date of the passing of this Resolution, may have been registered by the Directors pursuant to Article 12 of the Articles of Association (or a similar or identical provision contained in any previous Articles of Association of the Company) be and it is hereby approved, and that the actings of the Directors in approving the same for registration be and are hereby ratified and approved, notwithstanding that, in so far as the same may have been applicable to any and each such transfer, the provisions of Article 13 thereof (or a similar or identical provision contained in any previous Articles of Association of the Company) may not have been complied with."

W. Lindsell

Director

Registered Office:

53 Manor Place,
Edinburgh

THE COMPANIES ACTS 1948 to 1981

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED
(as altered on 24th July 1986)

MACROBERTS,
Solicitors,
Glasgow
GMB/MM
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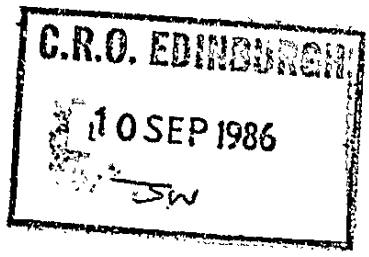

THE COMPANIES ACTS 1948 to 1981

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED
(as altered on 24th July 1986)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule of the Companies (Consolidation) Act 1908 or contained or as altered in pursuance of any subsequent Act shall apply to the company and are hereby expressly excluded.

2. The Regulations contained in and applied by Part II of Table A in the First Schedule of the Companies Act, 1948 as amended by the Companies Acts 1967 to 1976 (hereinafter referred to as "Table A"), in so far as not excluded, altered or modified by or inconsistent with the following Articles, shall apply to the Company and be deemed to be incorporated herein.

3. Regulations 7, 11, 24, 75, 77, 84(2), 84(4), 87, 88(a) and 128 and 129 of Part I of Table A and Regulations 3 and 4 of Part II of Table A shall not apply to the Company and are hereby expressly excluded. The following Regulations of Part I Table A shall be modified:-

Regulation 15 so that the words "provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call" shall be held to be delete.

Regulation 22 so that the words "(except in the case of fully paid shares) by or on behalf of the" shall be inserted immediately before the word "transferee" where it first appears in this Regulation.

Regulation 32 so that the proviso thereto shall be held to be delete.

Regulation 33 so that there shall be added at the end thereof the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

Regulation 45 paragraph (b) so that there shall be added at the end of the paragraph - "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".

Regulation 52 so that the words "the fixing of the remuneration of the Directors" shall be inserted immediately after the word "retiring".

Regulation 53 so that the word "two" shall be substituted for the word "three".

Regulation 58 so that in paragraph (b) the words "two members" shall be substituted for the words "three members".

Regulation 60 so that the words "provided always that he is a Member of the Company" shall be inserted after the word "shall".

Regulation 76 so that the words "and shall be divided amongst them as they shall agree and failing agreement equally" shall be inserted after the word "meeting" at the end of the first sentence.

Regulation 79 so that the proviso thereto shall be held to be delete.

Regulation 86 so that the words "and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose" shall be held to be delete.

Regulation 107 so that the words "or to hold any other executive office" shall be inserted immediately after the words "managing director" where they first appear.

Regulations 108 and 109 so that the words "or a director appointed to hold any other executive office" shall be inserted immediately after the words "managing director" in all places where such last mentioned words appear in these Regulations.

Unless otherwise required by the context of these Articles and Table A, in so far as not excluded and as modified in terms of this Article, words importing the singular number shall include the plural

and vice versa and words importing the masculine gender shall include the feminine.

BUSINESS

4. Any branch or kind of business which, by the Memorandum of Association of the Company or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

SHARE CAPITAL

5. The Share Capital of the Company at the date of substitution of this Article is £1,500,000 divided into 756,000 12.3/4 per cent Cumulative Preference Shares of £1 each, ("the Preference Shares") and 744,000 Ordinary Shares of £1 each ("the Ordinary Shares").

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

(I) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 12.3/4 per cent per annum

on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates except that the first payment shall be due on 30th June, 1983 in respect of the period from 22nd April, 1983 to 30th June, 1983;

(b) second in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(II) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Share shall be deemed to be:-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock

Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares in each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up (in any other case) the date which is seven days prior to the day of posting of notice convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 12.3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in

the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(III) AS REGARDS FURTHER ISSUES OF SHARES

The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further Preference Shares ranking as regards participation in the profits or assets of the Company pari passu with the Preference Shares;

(IV) RESTRICTIONS

(i) The Directors shall not save with the sanction of an Extraordinary Resolution of the holders of the Preference Shares passed at a separate meeting of the Members of that class permit or procure:-

(a) the Company to enter into any arrangements which could, at the time of entering into such arrangements, be reasonably expected to result in a fundamental change in the nature of the principal trading activities of the Company and its subsidiaries ("the Group"); or

(b) the sale or other disposal of the whole or substantially the whole of the Group's business; or

(c) any Company in the Group (each of which is hereinafter referred to as "Group Company") to invest whether by way of purchase of or subscription for Shares or by way of loan of any description more than £50,000 in any company ("the recipient company") (or the holding company or subsidiary company of any such company) whereof more than 25 per cent of the equity share capital is held by Directors of a Group Company or any of them or any person connected with any of them (as such persons are described in Section 64 of the Companies Act, 1980) except where the recipient company or the holding company of a recipient company is a subsidiary of the Company. The expressions "holding company", "subsidiary company" and "equity share capital" shall have the meanings respectively

assigned to them by Section 154 of the Companies Act, 1948; or

(d) the Company to exercise, in any financial year, any power conferred upon it, whether by law or under its Articles of Association, to purchase its own Shares, for a total cost, excluding expenses, of more than £50,000.

(ii) (A) Save with the sanction of an Extraordinary Resolution of the holders of Preference Shares passed in manner aforesaid, the Directors shall restrict the borrowings of the Company and shall so far as may be possible by the exercise of all rights and powers vested in them restrict the borrowings of all other Group Companies so as to procure that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group shall not at any time exceed a sum equal to the aggregate of:-

(1) the nominal amount for the time being paid up on the issued share capital of the Company; and

(2) the sum shown by the latest audited consolidated Balance Sheet of the Company and its subsidiary companies to be standing to the

credit of capital and revenue reserves of the Group including Share Premium Account but after:-

(a) excluding the amount of any reserve for deferred taxation; and

(b) excluding the nominal amount paid up on any capital of any subsidiary company which is held otherwise than by a Group Company; and

(c) making such other adjustments as may in the opinion of the Auditors of the Company be required or appropriate to take proper account of any material changes in the capital or reserves of the Group which either have occurred since the date of such consolidated Balance Sheet or would result from completion of any transaction in connection with which the calculation required by reason of this present Article is to be made and for the purposes of this present provision "material changes" shall mean any changes which, in the aggregate, amount

to 5 per cent of the share capital of the Company and the capital and revenue reserves of the Group as shown in such consolidated Balance Sheet.

(B) There shall not be taken into account for the purpose of calculating the aggregate borrowings of the Group:-

(1) the debts (whether or not secured) of a Group Company to any other Group Company;

(2) any sums borrowed against the security of any land or buildings of any tenure acquired by the Group after the date of adoption of this present Article or raised for the purpose of acquiring any such land or buildings if the sums so raised are so applied;

(3) the amount of any mortgage or charge subject to which any such land or buildings are acquired;

(4) any sums of money intended to be applied and actually applied within four calendar months after their receipt in the repayment or conversion (with or without premium) of any other subsisting borrowings of the Group notwithstanding that the same may result in

the limit prescribed by this present Article being temporarily exceeded;

(5) any moneys temporarily deposited with a Group Company by any of the Group's employees or customers.

(C) Save as provided in sub-paragraph (B) above the expression "borrowings" shall mean:-

(1) all sums for the time being remaining owing under debentures created by any Group Company (notwithstanding such debenture may have been issued for a consideration other than cash);

(2) all unsecured debts of the Group to its bankers;

(3) the nominal amount paid up on any share capital (other than equity share capital as such expression is defined in Section 154 of the Act) of any subsidiary company and which is not for the time being owned beneficially by any Group Company;

(4) the amount of any contingent liability under all guarantees entered into by any Group Company otherwise than in the normal course of its business.

(D) In the event of any doubt as to the upper limit of borrowings permitted by this Article, the matters shall be referred to the Auditors of the Company (acting as experts and not arbitrators) whose certificate as to the aggregate amount of the share capital of the Company and consolidated capital and revenue reserves of the Group (adjusted to give effect to the provisions of this present Article) shall be conclusive.

(V) AS REGARDS VOTING

The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the date mentioned in Paragraph (I) (a) of this Article, in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached

to such Shares and then only on such Resolution and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

SHARES

7. Subject to Article 8 hereof, the Shares shall be under the control of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and upon such terms and conditions as the Directors may determine but so that no share shall be issued at a discount except in accordance with Section 57 of the Companies Act, 1948.

8. Unless otherwise determined from time to time by the Company in General Meeting any unissued Shares in the capital for the time being of the Company after the first allotment of Shares shall be offered in the first instance to all the Members for the time being of the Company in proportion to the nominal amounts of the Ordinary Shares in the capital of the Company held by them respectively. Such offer shall be made by notice specifying the number of Shares for which such Members respectively are entitled to subscribe and limiting the time within which the offer, if not accepted, shall be deemed to be declined and, after the expiration of such time or on receipt of an intimation from any Member to whom such notice may have been given that he declines to accept the Shares offered, the Directors may

dispose of such Shares as they may think fit. The Directors may likewise dispose of any unissued Shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered under this Article.

9. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the Shares of the Company. Notwithstanding any such recognition the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any Shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such Shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any Shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in Part I of Table A.

10. The Directors shall not be entitled to decline to register the Executors, Administrators or Trustees of a deceased Member as holders of the Shares held by such deceased Member, and Regulations 30 and 31 of Part I of Table A shall be modified accordingly.

TRANSFER OF SHARES

11. Subject to Articles 12 and 13 hereof all transfers of Shares of the Company shall be subject to the approval and sanction of the Directors and the Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of any share, and the right to transfer the shares of the Company is restricted accordingly.

12. Notwithstanding the provisions of Articles 11 and 13 hereof (neither of which shall apply to any transfer specified in this Article), the Directors shall be bound to register any transfer of shares by way of gift or bequest in favour of any Member of the Company who may have been a partner of the said firm of Frederick Johnston & Company, also a transfer in favour of any of the representatives of any of such partners who may die after the date of the incorporation of the Company or who may have been deceased prior to the said date, provided that such representatives shall have the option of being registered either as joint holders or as individual shareholders and also a transfer by any of such representatives to his or her spouse. For the purposes of this Article the expression "representatives" shall only be deemed to include and shall be limited to husbands and wives, descendants, brothers and sisters, or nephews and nieces, or to a Trustee or Executor or a body of Trustees or Executors acting for such husbands and wives, descendants, brothers and sisters, or nephews and nieces.

13. (a) Every holder of Ordinary Shares and also every person referred to in Regulation 31 of Table A who intends to dispose of his or her Ordinary Shares (such holder of Ordinary Shares or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors thereof of his intentions. This notice shall constitute the Board his agents for the sale of the said Shares, in one or more lots at the discretion of the Board, to Members of the Company at a price to be agreed upon by the Vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the Auditor of the Company for the time being if acceptable to the parties or failing such by an Arbiter to be appointed by the parties.

(b) Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the holders of Ordinary Shares of the Company of the number and price of the Shares to be sold and invite each of them to state in writing within twenty one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said Shares.

(c) At the expiration of said twenty one days the Board shall allocate the said Shares to or amongst the Member or Members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be pro rata according to the number

of Ordinary Shares already held by them respectively. Upon said allocation being made the Vendor shall be bound on payment of the said price to transfer the Shares to the purchaser or purchasers.

LIEN

14. The Company shall have a first and paramount lien and charge on all the Shares (whether fully paid up or not) registered in the name of any Member (whether solely or jointly with others) and on all dividends payable thereon for all moneys due to the Company from him or his estate, either alone or jointly with any other person whether a Member or not, and whether such moneys are presently payable or not but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

DIRECTORS

15. The number of Directors shall not be less than two nor more than nine.

16. It shall not be necessary for a Director to hold any Shares in the Company to qualify him to act as such Director. A Director who is not a Member of the Company shall not be entitled to vote at General Meetings of the Company but shall be entitled to receive notice of all such Meetings and to attend and speak at the same and Regulation 134 of part I of Table A is modified accordingly.

17. A Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and shall be taken into account in reckoning the quorum present at the meeting when such contract or arrangement is under consideration.

18. Any Director appointed to any executive office or who devotes special attention to the Company or who otherwise performs services which in the opinion of the Directors are outwith the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Board of Directors may determine.

POWERS OF DIRECTORS

19. Without restricting the generality of their powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of or allied or associated with the Company or any such holding company or subsidiary company and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

CAPITALISATION OF RESERVES

20. The Company may, upon the recommendation of the Board, by Ordinary Resolution resolve that any sum not required for the payment of any fixed preferential dividend and (A) for the time being standing to the credit of any reserve fund or reserve account of the company (including any share premium account and any capital redemption reserve fund) or (B) being undivided net profits in the hands of the Company be capitalised and accordingly that the Board be authorised and directed to appropriate such sum as capital to the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares of the Company and to apply such sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by the Ordinary Shareholders respectively, or in paying up in full unissued Shares or debentures of the Company of a nominal amount equal to the sum resolved to be capitalised, such Shares or debentures to be allotted and distributed credited as fully paid up to and amongst the Ordinary Shareholders in the proportions aforesaid or partly in one way and partly in the other; Provided that a sum standing to the credit of a share premium account or a capital redemption reserve fund may only be applied hereunder in the paying up of unissued Shares to be issued to the Ordinary Shareholders as fully paid.

21. Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of such sum resolved to be capitalised thereby, and all allotments and issues of fully paid Shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of Shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Ordinary Shareholders 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 payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum 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 Shareholders.

SECRECY

22. No Member, or General or other Meeting of Members, 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, or which may relate to the conduct of the business of the Company, and

which in the opinion of the Directors it would be inexpedient in the interest of the Company to communicate to the public.

What is contained in this and the Twenty one preceding pages is a print of the Articles of Association of the Company as altered by Special Resolution passed at an Extraordinary General Meeting of the Company on 24th July 1986.

DIRECTOR

THE COMPANIES ACT 1985

15382

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED
(as altered on 30th October 1987)

C.R.O. EDINBURGH
- 4 NOV 1987

MACROBERTS,
Solicitors,
Glasgow
ID/EB/1JEXE001
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THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

F. JOHNSTON & COMPANY, LIMITED
(as altered on 30th October 1987)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule of the Companies (Consolidation) Act 1908 or contained or as altered in pursuance of any subsequent Act shall apply to the company and are hereby expressly excluded.

2. The Regulations contained in and applied by Part II of Table A in the First Schedule of the Companies Act, 1948 as amended by the Companies Acts 1967 to 1976 (hereinafter referred to as "Table A"), in so far as not excluded, altered or modified by or inconsistent with the following Articles, shall apply to the Company and be deemed to be incorporated herein.

3. Regulations 7, 11, 24, 75, 77, 84(2), 84(4), 87, 88(a), 88(f), and 89 of Table A shall not apply to the Company and are hereby expressly excluded. The following Regulations of Table A shall be modified:-

Regulation 15 so that the words "provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for payment of the last preceding call" shall be held to be delete.

Regulation 22 so that the words "(except in the case of fully paid shares) ,by or on behalf of the" shall be inserted immediately before the word "transferee" where it first appears in this Regulation.

Regulation 32 so that the proviso thereto shall be held to be delete.

Regulation 33 so that there shall be added at the end thereof the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

Regulation 45 paragraph (b) so that there shall be added at the end of the paragraph - "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".

Regulation 52 so that the words "the fixing of the remuneration of the Directors" shall be inserted immediately after the word "retiring".

Regulation 53 so that the word "two" shall be substituted for the word "three".

Regulation 58 so that in paragraph (b) the words "two members" shall be substituted for the words "three members".

Regulation 60 so that the words "provided always that he is a Member of the Company" shall be inserted after the word "shall".

Regulation 76 so that the words "and shall be divided amongst them as they shall agree and failing agreement equally" shall be inserted after the word "meeting" at the end of the first sentence.

Regulation 79 so that the proviso thereto shall be held to be delete.

Regulation 86 so that the words "and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose" shall be held to be delete.

Regulation 107 so that the words "or to hold any other executive office" shall be inserted immediately after the words "managing director" where they first appear.

Regulations 108 and 109 so that the words "or a director appointed to hold any other executive office" shall be inserted immediately after the words "managing director" in all places where such last mentioned words appear in these Regulations.

Unless otherwise required by the context of these Articles and Table A, in so far as not excluded and as modified in terms of this Article, words importing the singular number shall include the plural

and vice versa and words importing the masculine gender shall include the feminine.

BUSINESS

4. Any branch or kind of business which, by the Memorandum of Association of the Company or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

SHARE CAPITAL

5. The Share Capital of the Company at the date of substitution of this Article is £1,500,000 divided into 756,000 12.3/4 per cent Cumulative Preference Shares of £1 each, ("the Preference Shares") and 744,000 Ordinary Shares of £1 each ("the Ordinary Shares").

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

(I) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 12.3/4 per cent per annum

on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates except that the first payment shall be due on 30th June, 1983 in respect of the period from 22nd April, 1983 to 30th June, 1983;

(b) second in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(II) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Share shall be deemed to be:-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock

Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares in each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up (in any other case) the date which is seven days prior to the day of posting of notice convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 12.3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in

the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been delcared or earned or not;

(b) second in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(III) AS REGARDS FURTHER ISSUES OF SHARES

The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further Preference Shares ranking as regards participation in the profits or assets of the Company pari passu with the Preference Shares;

(IV) RESTRICTIONS

(i) The Directors shall not save with the sanction of an Extraordinary Resolution of the holders of the Preference Shares passed at a separate meeting of the Members of that class permit or procure:-

(a) the Company to enter into any arrangements which could, at the time of entering into such arrangements, be reasonably expected to result in a fundamental change in the nature of the principal trading activities of the Company and its subsidiaries ("the Group"); or

(b) the sale or other disposal of the whole or substantially the whole of the Group's business; or

(c) any Company in the Group (each of which is hereinafter referred to as "Group Company") to invest whether by way of purchase of or subscription for Shares or by way of loan of any description more than £50,000 in any company ("the recipient company") (or the holding company or subsidiary company of any such company) whereof more than 25 per cent of the equity share capital is held by Directors of a Group Company or any of them or any person connected with any of them (as such persons are described in Section 64 of the Companies Act, 1980) except where the recipient company or the holding company of a recipient company is a subsidiary of the Company. The expressions "holding company", "subsidiary company" and "equity share capital" shall have the meanings respectively

assigned to them by Section 154 of the Companies Act, 1948; or

(d) the Company to exercise, in any financial year, any power conferred upon it, whether by law or under its Articles of Association, to purchase its own Shares, for a total cost, excluding expenses, of more than £50,000.

(ii) (A) Save with the sanction of an Extraordinary Resolution of the holders of Preference Shares passed in manner aforesaid, the Directors shall restrict the borrowings of the Company and shall so far as may be possible by the exercise of all rights and powers vested in them restrict the borrowings of all other Group Companies so as to procure that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group shall not at any time exceed a sum equal to the aggregate of:-

(1) the nominal amount for the time being paid up on the issued share capital of the Company; and

(2) the sum shown by the latest audited consolidated Balance Sheet of the Company and its subsidiary companies to be standing to the

credit of capital and revenue reserves of the Group including Share Premium Account but after:-

(a) excluding the amount of any reserve for deferred taxation; and

(b) excluding the nominal amount paid up on any capital of any subsidiary company which is held otherwise than by a Group Company; and

(c) making such other adjustments as may in the opinion of the Auditors of the Company be required or appropriate to take proper account of any material changes in the capital or reserves of the Group which either have occurred since the date of such consolidated Balance Sheet or would result from completion of any transaction in connection with which the calculation required by reason of this present Article is to be made and for the purposes of this present provision "material changes" shall mean any changes which, in the aggregate, amount

to 5 per cent of the share capital of the Company and the capital and revenue reserves of the Group as shown in such consolidated Balance Sheet.

(B) There shall not be taken into account for the purpose of calculating the aggregate borrowings of the Group:-

(1) the debts (whether or not secured) of a Group Company to any other Group Company;

(2) any sums borrowed against the security of any land or buildings of any tenure acquired by the Group after the date of adoption of this present Article or raised for the purpose of acquiring any such land or buildings if the sums so raised are so applied;

(3) the amount of any mortgage or charge subject to which any such land or buildings are acquired;

(4) any sums of money intended to be applied and actually applied within four calendar months after their receipt in the repayment or conversion (with or without premium) of any other subsisting borrowings of the Group notwithstanding that the same may result in

the limit prescribed by this present Article being temporarily exceeded;

(5) any moneys temporarily deposited with a Group Company by any of the Group's employees or customers.

(C) Save as provided in sub-paragraph (B) above the expression "borrowings" shall mean:-

(1) all sums for the time being remaining owing under debentures created by any Group Company (notwithstanding such debenture may have been issued for a consideration other than cash);

(2) all unsecured debts of the Group to its bankers;

(3) the nominal amount paid up on any share capital (other than equity share capital as such expression is defined in Section 154 of the Act) of any subsidiary company and which is not for the time being owned beneficially by any Group Company;

(4) the amount of any contingent liability under all guarantees entered into by any Group Company otherwise than in the normal course of its business.

(D) In the event of any doubt as to the upper limit of borrowings permitted by this Article, the matters shall be referred to the Auditors of the Company (acting as experts and not arbitrators) whose certificate as to the aggregate amount of the share capital of the Company and consolidated capital and revenue reserves of the Group (adjusted to give effect to the provisions of this present Article) shall be conclusive.

(V) AS REGARDS VOTING

The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the date mentioned in Paragraph (I) (a) of this Article, in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached

to such Shares and then only on such Resolution and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

SHARES

7. Subject to Article 8 hereof, the Shares shall be under the control of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and upon such terms and conditions as the Directors may determine but so that no shares shall be issued at a discount except in accordance with Section 57 of the Companies Act, 1948.

8. (a) Unless otherwise determined from time to time by the Company in General Meeting any unissued shares in the capital for the time being of the Company after the first allotment of Shares shall be offered in the first instance to all the Members for the time being of the Company in proportion to the nominal amounts of the Ordinary Shares in the capital of the Company held by them respectively. Such offer shall be made by notice specifying the number of Shares for which such Members respectively are entitled to subscribe and limiting the time within which the offer, if not accepted, shall be deemed to be declined and, after the expiration of such time or on receipt of an intimation from any Member to whom such notice may have been given that he declines to accept the shares offered, the Directors may

dispose of such shares as they may think fit. The Directors may likewise dispose of any unissued Shares which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid, or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered under this Article.

(b) Notwithstanding the provisions of Article 8(a) hereof, the Board may grant options over Ordinary Shares pursuant to and subject to the limits prescribed in the Rules of the F. Johnston Group Executive Share Option Scheme and may thereafter allot such shares upon exercise of such options, or any of them, in accordance with the said Rules.

9. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the Shares of the Company. Notwithstanding any such recognition the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in Part I of Table A.

10. The Directors shall not be entitled to decline to register the Executors, Administrators or Trustees of a deceased Member as holders of the Shares held by such deceased Member, and Regulations 30 and 31 of Part I of Table A shall be modified accordingly.

TRANSFER OF SHARES

11. Subject to Articles 12 and 13 hereof all transfers of Shares of the Company shall be subject to the approval and sanction of the Directors and the Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of any Share, and the right to transfer the Shares of the Company is restricted accordingly.

12. Notwithstanding the provisions of Articles 11 and 13 hereof (neither of which shall apply to any transfer specified in this Article):-

(1) the Directors shall be bound to register any transfer of shares by way of gift or bequest:-

(a) by any individual member (not being in relation to the shares concerned the holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member; or

(b) by any such individual member to trustees to be held on Family Trusts related to such individual member; or

(c) by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same.

(2) Where shares have been transferred under paragraph 1(b) or 1(c) of this Article or under paragraph (a) or (b) below to trustees of Family Trusts, the trustees thereunder and their successors in office may transfer all or any of the Relevant Shares as follows:-

(a) on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trusts concerned;

(b) pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees hereof or any other person, all or any of the Relevant Shares may at any time be transferred to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member; or

(c) on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of exercise of any such power or discretion as aforesaid, all or any of the Relevant Shares may at any time be transferred to the Relevant Member or former member or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the shares proposed to be transferred.

If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances whereunder a transfer thereof is authorised to be and is to be made to the person or persons entitled thereto, it shall be the duty of the Trustees holding such Shares to notify the Directors in writing that such event has occurred and the Trustees shall be bound, if and when required in writing by the Directors so to do, to give a notice pursuant to Article 13(a) in respect of the Relevant Shares concerned.

(3) For the purposes of this Article 12:-

(a) the expression "Privileged Relation" as regards any particular individual member or deceased or former individual member, means and includes the husband or wife or widower or widow of that individual and all the lineal descendants in direct line of that individual and all brothers and sisters and nephews and nieces of that individual and for the purpose aforesaid a step-child or adopted child of any person shall be deemed to be a lineal descendant of such person;

(b) the expression "Family Trusts" as regards any particular individual member or deceased or former individual member means trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under testamentary disposition or on

an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual and so that for the purposes aforesaid a person shall be deemed to be beneficially interested in a share if such Share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other right attaching thereto are or may become liable to be exerciseable by or as directed by such person pursuant to the terms of the Relevant Trusts or in consequence of an exercise of a power of discretion conferred thereby on any person or persons.

(c) the expression "the Relevant Shares" means and includes (so far as the same remain for the time being held by the Trustees of any Family Trusts) the Shares originally transferred to such trustees and any additional shares issued to such trustees by way of capitalisation acquired by such trustees in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred.

13. (a) Every holder of Ordinary Shares and also every person referred to in Regulation 31 of Table A who intends to dispose of his or her Ordinary Shares (such holder of Ordinary Shares or other person being hereinafter called the Vendor) shall give notice in writing to the Secretary of the Company for behoof of the Board of Directors thereof of his intentions. This notice shall constitute the Board his agents for the sale of the said Shares, in one or more lots at the discretion of the Board, to Members of the Company at a price to be agreed upon by the Vendor and the Board as the fair selling value thereof as between a willing seller and a willing purchaser, and in case of difference of opinion in regard to said value the same shall be fixed and determined by the Auditor of the Company for the time being if acceptable to the parties or failing such by an Arbiter to be appointed by the parties.

(b) Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the holders of Ordinary Shares of the Company of the number and price of the Shares to be sold and invite each of them to state in writing within twenty one days from the date of the said notice whether he is willing to purchase any, and if so, what maximum number of the said Shares.

(c) At the expiration of said twenty one days the Board shall allocate the said Shares to or amongst the Member or Members who shall have expressed his or their willingness to purchase as aforesaid and (if more than one) so far as may be pro rata according to the number

of Ordinary Shares already held by them respectively. Upon said allocation being made the Vendor shall be bound on payment of the said price to transfer the Shares to the purchaser or purchasers.

LIEN

14. The Company shall have a first and paramount lien and charge on all the Shares (whether fully paid up or not) registered in the name of any Member (whether solely or jointly with others) and on all dividends payable thereon for all moneys due to the Company from him or his estate, either alone or jointly with any other person whether a Member or not, and whether such moneys are presently payable or not but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

DIRECTORS

15. The number of Directors shall not be less than two nor more than nine.

16. It shall not be necessary for a Director to hold any shares in the Company to qualify him to act as such Director. A Director who is not a Member of the Company shall not be entitled to vote at General Meetings of the Company but shall be entitled to receive notice of all such Meetings and to attend and speak at the same and Regulation 134 of Part I of Table A is modified accordingly.

17. A Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and shall be taken into account in reckoning the quorum present at the meeting when such contract or arrangement is under consideration.

18. Any Director appointed to any executive office or who devotes special attention to the Company or who otherwise performs services which in the opinion of the Directors are outwith the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Board of Directors may determine.

POWERS OF DIRECTORS

19. Without restricting the generality of their powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of or allied or associated with the Company or any such holding company or subsidiary company and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

CAPITALISATION OF RESERVES

20. The Company may, upon the recommendation of the Board, by Ordinary Resolution resolve that any sum not required for the payment of any fixed preferential dividend and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any share premium account and any capital redemption reserve fund) or (B) being undivided net profits in the hands of the Company be capitalised and accordingly that the Board be authorised and directed to appropriate such sum as capital to the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares of the Company and to apply such sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any Shares held by the Ordinary Shareholders respectively, or in paying up in full unissued Shares or debentures of the Company of a nominal amount equal to the sum resolved to be capitalised, such Shares or debentures to be allotted and distributed credited as fully paid up to and amongst the Ordinary Shareholders in the proportions aforesaid or partly in one way and partly in the other; Provided that a sum standing to the credit of a share premium account or a capital redemption reserve fund may only be applied hereunder in the paying up of unissued Shares to be issued to the Ordinary Shareholders as fully paid.

21. Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of such sum resolved to be capitalised thereby, and all allotments and issues of fully paid Shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of Shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the Ordinary Shareholders 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 payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum 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 Shareholders.

SECRECY

22. No Member, or General or other Meeting of Members, 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, or which may relate to the conduct of the business of the Company, and

which in the opinion of the Directors it would be inexpedient in the interest of the Company to communicate to the public.

What is contained in this and the twenty four preceding pages is a print of the Articles of Association of the Company as altered by Special Resolution passed at an Extraordinary General Meeting of the Company on 30th October 1987.

M.L.A. CHIAPPELLI

DIRECTOR

15382

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to Section 378 (2) of the Companies Act 1985)

of

F. JOHNSTON & COMPANY, LIMITED

Passed: 30th October 1987

At an EXTRAORDINARY GENERAL MEETING of F. JOHNSTON & COMPANY, LIMITED, duly convened and held at 53 Manor Place, Edinburgh, EH3 7EG on 30th October, 1987, the following Resolution was duly passed as a SPECIAL RESOLUTION of the Company:-

SPECIAL RESOLUTION

That the Articles of Association of the Company be altered by:-

(i) the renumbering of Article 8 as Article 8(a) and the inclusion immediately after such Article the following new Article to be numbered 8(b):-

"Notwithstanding the provisions of Article 8(a) hereof, the Board may grant options over Ordinary Shares pursuant to and subject to the limits prescribed in the Rules of the F. Johnston Group Executive Share Option Scheme and

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may thereafter allot such shares upon exercise of such options, or any of them, in accordance with the said Rules;"

(ii) the deletion of Article 12 and the substitution of the following Article therefor:-

"12 Notwithstanding the provisions of Articles 11 and 13 hereof (neither of which shall apply to any transfer specified in this Article):-

(1) the Directors shall be bound to register any transfer of shares by way of gift or bequest:-

(a) by any individual member (not being in relation to the shares concerned the holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member; or

(b) by any such individual member to trustees to be held on Family Trusts related to such individual member; or

(c) by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same.

(2) Where shares have been transferred under paragraph 1(b) or 1(c) of this Article or under paragraph (a) or (b) below to trustees of Family Trusts, the trustees thereunder and their successors in office may transfer all or any of the Relevant Shares as follows:-

(a) on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trusts concerned;

(b) pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees hereof or any other person, all or any of the Relevant Shares may at any time be transferred to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member; or

(c) on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of exercise of any such power or discretion as aforesaid, all or any of the Relevant Shares may at any time be transferred to the Relevant Member or former

member or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the shares proposed to be transferred.

If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances whereunder a transfer thereof is authorised to be and is to be made to the person or persons entitled thereto, it shall be the duty of the Trustees holding such shares to notify the Directors in writing that such event has occurred and the Trustees shall be bound, if and when required in writing by the Directors so to do, to give a notice pursuant to Article 13(a) in respect of the Relevant Shares concerned.

(3) For the purposes of this Article 12:-

(a) the expression "Privileged Relation" as regards any particular individual member or deceased or former individual member, means and includes the husband or wife or widower or widow of that individual and all the lineal descendants in direct line of that individual and all brothers and sisters and nephews and nieces of that individual and for the purpose

aforesaid a step-child or adopted child of any person shall be deemed to be a lineal descendant of such person;

(b) the expression "Family Trusts" as regards any particular individual member or deceased or former individual member means trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than that individual and/or Privileged Relations of that individual and so that for the purposes aforesaid a person shall be deemed to be beneficially interested in a share if such share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other right attaching thereto are or may become liable to be exerciseable by or as directed by such person pursuant to the terms of the Relevant Trusts or in consequence

of an exercise of a power of discretion conferred thereby on any person or persons.

(c) the expression "the Relevant Shares" means and includes (so far as the same remain for the time being held by the Trustees of any Family Trusts) the shares originally transferred to such trustees and any additional shares issued to such trustees by way of capitalisation acquired by such trustees in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred."

M.L.A. Chiappelli

Secretary

Registered Office:-

53 Manor Place,
EDINBURGH,
EH3 7EG.

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

(pursuant to Section 378 (2) of the Companies Act 1985)

of

F. JOHNSTON & COMPANY, LIMITED

Passed 28th March 1988

At an EXTRAORDINARY GENERAL MEETING of F. JOHNSTON & COMPANY, LIMITED duly convened and held at 53 Manor Place, Edinburgh on 28th March 1988 the following Resolutions were passed as Special Resolutions:-

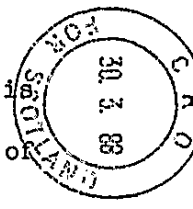
SPECIAL RESOLUTIONS

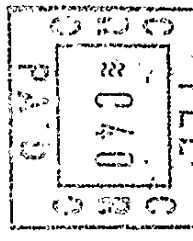
1. That the Company be re-registered as a public company pursuant to Section 43 of the Companies Act 1985.

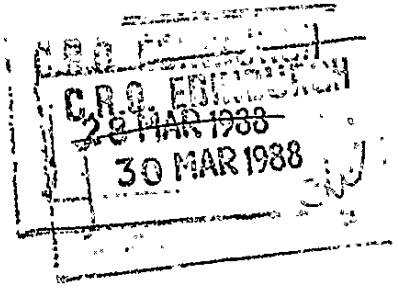
2. That, subject only to the Company being re-registered as a public company pursuant to Resolution 1 above, the name of the Company be changed to "Johnston Press plc".

3. That the Memorandum of Association of the Company be and is hereby altered by the inclusion, after the existing Clause I, of the following new Clause to be numbered IA:-

"The Company is to be a public company".







4. That each of the Ordinary Shares of £1 each in the capital of the Company be and is hereby sub-divided into 10 Ordinary Shares of 10p each.

5. That the Authorised Share Capital of the Company be increased to £4,000,000 by the creation of 25,000,000 Ordinary Shares of 10p each, such Ordinary Shares to rank pari passu in all respects with the existing Ordinary Shares of 10p each in the capital of the Company.

6. That, upon the recommendation of the Directors, it is desirable to capitalise the sum of £1,320,000 being part of the amount at present standing to the credit of the Company's Reserves and accordingly, that such sum be set free for distribution amongst the Members registered at the close of business on the Twenty eighth day of March 1988 as the holders of the 6,600,000 Ordinary Shares of 10p each of the Company which result from the sub-division effected by Resolution 4 above and which at such date have been issued and are fully paid in the proportions in which such Members would have been entitled thereto if the same had been distributed by way of dividend on the said 6,600,000 Ordinary Shares of 10p each on condition that such sum be not paid in cash but be applied on behalf of such Members in paying up in full at par 13,200,000 Ordinary Shares of 10p each of the Company to be allotted and distributed credited as fully paid up

to and amongst such Members in the proportion of two new Ordinary Shares of 10p for each existing Ordinary Share of 10p held at close of business on the said date, such new Ordinary Shares to rank pari passu in all respects with the existing Ordinary Shares in the capital of the Company.

7. That:-

(A) in the event that any person ("a Relevant Person") to whom an option ("a Relevant Option") under the F. Johnston Group Executive Share Option Scheme ("the Scheme") shall have been granted prior to the date of the passing of this Resolution shall exercise a Relevant Option in whole or in part; and

(B) the price per share payable under the Scheme (whether by virtue of an adjustment to such price made pursuant to the Rules of the Scheme or otherwise) for shares ("Relevant Shares") in respect of which a Relevant Option is so exercised shall be less than the nominal value of such shares

the Directors be and are hereby irrevocably authorised and instructed to capitalise on the occasion of each and every exercise of a Relevant Option a sum equivalent to the sum ("the Shortfall") by which the aggregate of the nominal values of the Relevant Shares exceeds the aggregate price payable therefor

upon exercise of the Relevant Option and to set such sum free for distribution to the persons exercising the Relevant Option on condition that such sum be not paid in cash but be applied on behalf of such persons in paying up such shares to the extent of the Shortfall.

8. That:-

(A) The Directors, pursuant to the provisions of Section 80 of the Companies Act 1985 ("the Act") shall have authority generally and unconditionally until 27th March 1993 to exercise the power of the Company to allot relevant securities within the meaning of such Section up to a maximum nominal amount equal to the share capital of the Company authorised but unissued at the date of passing of this Resolution but so that the Company may before the expiry of such authority make an offer or agreement which would or might require relevant securities to be allotted after its expiry.

(B) Such authority and any subsequent authority given to the Directors pursuant to such Section may, prior to its expiry, be revoked or from time to time varied by the Company in general meeting and any such authority (whether or not it has been previously renewed) may likewise be renewed by the Company in general meeting for a further

period not exceeding five years. In the event of any such authority allowing the Company to make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the authority, the Directors, notwithstanding the expiry of such authority, may after its expiry allot relevant securities in pursuance of such an offer or agreement.

(C) The Directors, pursuant to the provisions of Section 95 of the Act and to the authority contained in paragraph (A) of this Resolution, shall have power until and including the date of the Annual General Meeting of the Company held in the year 1989 to allot equity securities within the meaning of Section 94 of the Act as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:-

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider

necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment of equity securities of up to an aggregate nominal value of £700,000 in connection with a sale, subscription or placing of Ordinary Shares of 10p each in the Company at the time of the admission of the ordinary share capital of the Company to the Official List of The International Stock Exchange of the United Kingdom and Northern Ireland Limited ("the Admission"); and

(iii) to the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of such equity securities up to an aggregate nominal value equal to 2 1/2 per cent of the nominal value of the ordinary share capital of the Company in issue immediately following implementation of the Admission.

Save that the Company may before the expiry of such power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer of agreement as if such power had not expired.

9. That, (conditional upon the whole of the issued ordinary share capital of the Company being admitted to the Official List of The International Stock Exchange of the United Kingdom and Northern Ireland Limited) the Regulations contained in the printed document laid before the Meeting and, for the purposes of identification, signed by the Chairman thereof, be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof.

M.L.A. Chiappelli
Secretary

Registered Office:

53 Manor Place,
Edinburgh,
EH3 7EG.

CERTIFICATE OF INCORPORATION

ON CHANGE OF NAME
AND RE-REGISTRATION AS A PUBLIC COMPANY

No. 15382

I hereby certify that

F. Johnston & Company, Limited

having by special resolution changed its name and having this da
been re-registered under the Companies Act 1985 as a public limi
company is now incorporated under the name of

Johnston Press plc

Signed at Edinburgh 12 April 1988.

Registrar of Companies

15382

THE COMPANIES ACT, 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

Johnston Press plc
(adopted on 28th March 1988)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule to the Companies Consolidation Act 1908 or as contained or altered in pursuance of any subsequent Act, shall apply to the Company and are hereby expressly excluded.

2. In these Articles (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 them respectively in the second column thereof.

WORDS	MEANINGS
The Act	The Companies Act 1985
The Statutes	The Companies Act 1985 and every other Act for the time being in force concerning companies and affecting the company or any statutory re-enactment or modification thereof for the time being in force, and any reference to any

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	section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
These Articles	These Articles of Association or other Articles of Association of the Company from time to time in force.
The Auditor	The auditor for the time being of the Company or, in the case of joint auditors, any one of them.
Office	The registered office of the Company.
Directors	The Directors for the time being of the Company or a meeting of the Directors at which a quorum is present.
Transfer Office	The place where the Register of Members is situate.
Register	The Register of Members required to be kept by the Statutes.
Seal	The Common Seal of the Company or any official seal that the Company may be permitted to have under the Statutes.
The Secretary	The Secretary, or (if there are joint secretaries) any one of the joint secretaries,

	of the Company and including an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the Secretary.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar Month.
Year	Calendar Year.
In writing	Written, or produced by any substitute for writing, or partly one and partly the other.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

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

Words importing the masculine gender only shall include the feminine gender.

The expression "Secretary" shall include any person (whether legal or natural) appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint Secretaries shall include any one of those persons.

Save as aforesaid any word or expression defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meaning in these Articles.

BUSINESS

3. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

CAPITAL

4. The authorised share capital of the Company is £4,000,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each ("the Preference Shares") and 32,440,000 Ordinary Shares of 10p each ("the Ordinary Shares")

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

(1) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of (as from and including the

date of adoption of these Articles) 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates;

(b) second in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(2) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto, the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Preference Share shall be deemed to be:-

(1) In the event of the Preference Shares having

been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares as derived from each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up or (in any other case) the date which is seven days prior to the day of posting of the notice convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 13 3/4 per cent (grossed up to take account of the

associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second but subject to the provisions of Article 116 in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(3) FURTHER ISSUES OF SHARES

The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further Preference Shares ranking as regards participation in the profits or assets of the company pari passu with the Preference Shares;

(4) VOTING

The Preference Shares shall entitle the holders to receive the

Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the date mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

6. Without prejudice to any special rights previously conferred on the holders of any shares or classes of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by Article 8 hereof), any share in the Company may be issued with such preferred, deferred or other

special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue shares which are, or at the option of the Company or the shareholder are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.

7. Subject to the provisions of these Articles and the Statutes, the shares in the capital of the Company for the time being unissued shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

VARIATION OF RIGHTS

8. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but

not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal value of the issued shares of the class in question (but so that if at any adjourned meeting a quorum as above defined is not present any one holder of shares of the class in question present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

ALTERATION OF CAPITAL

9. The Company 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. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, any share may be issued which is to be redeemed at the option of the Company or the holder, on such terms and in such manner as may be provided by these Articles.

10. (A) The Company may by Ordinary Resolution:-

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

(2) 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; and

(3) sub-divide its shares, or any of them, into shares of a 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(B) Where as a result of any consolidation or sub-division of shares any members would become entitled to fractions of a share the Directors may settle the same as they think expedient and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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.

11. The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by the Statutes.

12. Subject to the provisions of the Statutes, the Company may purchase all or any of its shares of any class, including any redeemable shares. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of any shares which at the date on which the contract is authorised by the Company in general meeting entitle them, either immediately or at any time later on, to convert all or any of the shares of that class held by them into equity share capital of the Company. Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied by anything done by the Company pursuant to this paragraph of this Article.

SHARES

13. The Company may exercise the powers of paying commissions conferred by the Statutes. The amount or the rate per cent of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes, and such commission shall not exceed 10 per cent of the price at which

the shares in respect of which the commission is paid are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.

14. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

CERTIFICATES

15. Every certificate for shares or debentures of the Company shall be issued under the Seal or an official seal kept under Section 40 of the Act. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

16. Every person whose name is entered as a member in the Register of Members (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready a certificate) shall be entitled without fee within one month after the date of expiration of any right of renunciation in the case of allotment or within fourteen days of the lodgement of transfer as the case may be to one certificate for all his shares of any one class or several certificates, each for one or more of his shares of any one class. Provided that the Company shall not be bound to register more than four persons as the joint holders of a share 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 to one of such persons shall be sufficient delivery to all.

17. Where a member (except such a Stock Exchange nominee) transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without fee.

18. If a share certificate shall be damaged, defaced, lost, stolen or destroyed, it may be replaced by a new certificate without charge and on delivery up of the certificate or (if lost, stolen or destroyed) on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request for the new certificate as the Directors think fit.

CALLS ON SHARES

19. The Directors may from time to time make calls upon the members

in respect of any moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of allotment thereof made payable at fixed times. 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. The person upon whom a call is made shall remain liable for the call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

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

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. 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 20 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or issue or at any fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable. In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 15 per cent per annum) as the member paying such moneys and the Directors agree upon.

FORFEITURE AND LIEN

26. If a member fails to pay in full any call or instalment of a

call on the day appointed for payment thereof, the Directors may at any time thereafter 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.

27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.

28. 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 share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

29. A share so forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender 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, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

30. A member any or all of whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of those shares with interest thereof at 20 per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

31. The Company shall have a first and paramount lien on every share (not being a share fully paid as to its nominal value and as to any premium payable thereon) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on any shares (other than a share fully paid as to its

nominal value and as to any premium payable thereon) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that 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 time 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 on a share shall extend to all dividends payable thereon whether or not due and payable. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32 The Company may sell in such manner as the Directors think fit any share 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 due and payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently due and 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 thereto by reason of his death or bankruptcy.

33. 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 debts or liabilities in respect whereof the lien exists so far as the same are presently due and payable and any residue shall (subject to a like lien for debts or liabilities not presently due and payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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. Such a 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 Share Certificate delivered to a purchaser 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, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing in any usual or common form or in such other form as the Directors may approve. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

36. Subject to the provisions of Section 358 of the Act, the registration of transfers may be suspended and the Register closed at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares, provided that the Register shall not be closed for more than thirty days in any year.

37. The Directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer of a share (not being a fully paid share) and they may also refuse to register any transfer of shares to joint holders where the number of joint holders to whom the shares are to be

transferred exceeds four. The Directors may also decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

38. If the Directors refuse to register a transfer of any share, 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.

39. All instruments of transfer, when registered may be retained by the Company but the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all other documents on the faith of which entries have been made in the Register of Members and any instructions concerning the payment of dividends or other monies in respect of any share in both cases at any time after the expiration of two years from the date of registration thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof

and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and 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 certificate 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 of this Article 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 other circumstances which would not attach to the Company but for the provisions of this Article; and

(iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

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

TRANSMISSION OF SHARES

42. In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or personal representatives 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 interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

43. (A) Subject to the provisions of the preceding Article any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon such evidence being produced as may from time to time properly be required by the

Directors either (a) be registered as holder of the share in a representative capacity or (b) be registered himself as holder of the share or (c) transfer such share to some other person. The Directors shall, in any case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

(B) The intimation to the Company, by or on behalf of any person becoming entitled to a share in accordance with sub-paragraph (A) of this Article, of the evidence therein required shall be deemed to be a request by such person to be registered as holder of the share in a representative capacity unless such person shall otherwise elect as aftermentioned, provided always that such registration shall not impose any personal liability upon such person in respect of the share. 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 and if he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles 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 signed by that member.

44. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled save as hereinafter provided to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share. Provided that such person shall not be entitled to receive notice of, attend or vote at any general meetings of the Company until he is registered as the holder of such share.

STOCK

45. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock or re-convert any stock into paid-up shares of any denomination.

46. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock

transferable in the same units as the existing stock of the class.

47. 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 prior to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the shares from which the stock arose) as the Directors may from time to time determine.

48. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in dividends or the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

GENERAL MEETINGS

49. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

50. The Directors may whenever they think fit call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition or, in default, such meeting may be convened by such requisitionists, as provided by the Statutes.

NOTICE OF GENERAL MEETINGS

51. An Annual General Meeting and any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty one days' notice in writing and any other General Meeting by at least fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all members other than such as are not, under the provisions of these Articles, entitled to receive such notices from the Company and to the Auditors: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

(A) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and

(B) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him, and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which special business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

53. All business shall be deemed special that is transacted at an Extraordinary Meeting and also all that is transacted at an Annual General Meeting with the exception of the following:-

(A) declaring dividends;

(B) considering the Accounts of the Company, the reports of the Directors and Auditors and other documents required to be annexed to the Accounts;

(C) appointing or re-appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(D) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement (whether by rotation or otherwise) and fixing the remuneration of the Directors in accordance with the provisions of these Articles.

54. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

(A) give to the members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(B) circulate to the members entitled to have notice of any General Meeting any statement of not more than one thousand words with respect to the matter referred to in

any proposed resolution or the business to be dealt with at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy and entitled to vote at the meeting shall be a quorum for all purposes.

56. If within fifteen minutes from the time appointed for a General 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 Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman or if at any meeting he shall not be present within five minutes after the time appointed for holding the same, or shall be unwilling to preside, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be Chairman of the meeting.

58. The Chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed

by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty 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 either:-

(A) the Chairman of the meeting; or

(B) not less than five members present in person or by proxy and entitled to vote; or

(C) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(D) a member or members present in person or by proxy and 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

60. A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting 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 that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

61. 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 the poll is demanded shall be entitled to a casting vote.

62. 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 immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

63. 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

64. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share of the Company held by him.

65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

66. A member being a minor, pupil or otherwise under any legal disability may vote, whether on a show of hands or on a poll, by his curator, tutor, committee, judicial factor, curator bonis or other legal curator provided that such evidence as the Directors

may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

67. No member shall, unless the Directors otherwise determine, be entitled to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company unless all calls or other sums presently due and payable by him in respect of shares in the Company have been paid.

68. Without prejudice to the provisions of Article 67 no member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish

the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or rendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection 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 and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71. A proxy need not be a member of the Company.

72. The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may prescribe or accept and:-

(A) in the case of an individual shall be signed by the appointer or by his attorney; and

(B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

73. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed shall be deposited at the Office (or at such other place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or in the case of a poll, not less than twenty four hours before the time appointed for the taking of the poll, at which the person named in the instrument proposes to vote and in default shall not be treated as valid. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share.

74. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

75. A vote cast in accordance with the terms of the instrument of proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be

deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

77. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors shall not be less than three nor more than fifteen.

78. A Director shall not be required to hold any shares of the Company to qualify him to act as such Director. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings of the Company.

79. In addition to any salary or other remuneration which may be paid to the Directors or any of them under or pursuant to any other provisions of these Articles the remuneration of the Directors as such shall be such sum as may from time to time be determined by the Company in General Meeting. Such remuneration shall be deemed to accrue from day to day and shall be divisible among the Directors as they may by resolution agree or failing such agreement equally. Notwithstanding the foregoing provisions of this Article the Directors (who are not managing or executive directors) shall be paid such remuneration by way of fees as the Board may determine save that unless the Company in General Meeting may otherwise approve the aggregate of such fees shall not exceed £30,000 per annum.

80. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or which he may otherwise incur in or about the business of the Company.

81. Any Director who is appointed to any executive office or who otherwise performs any special or professional services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

82. The Directors may entrust to and confer upon any Director 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.

DISQUALIFICATION OF DIRECTORS

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

(a) if he ceases to be a Director by virtue of Section 293 of the Act;

(b) if he shall become prohibited by law from acting as a Director;

if by notice in writing to the Company he resigns his office;

(d) if he shall have a receiving order made against him, become bankrupt, execute a trust deed for behoof of his creditors or shall compound with his creditors generally;

(e) if he shall become of unsound mind or otherwise incapax;

(f) if he shall be absent from meetings of the Directors for a continuous period of six months without leave and the Directors shall resolve that his office is vacated;

(g) if he is removed from office as provided in Article 88; or

(h) if he is requested in writing by all the other Directors to resign.

RETIREMENT OF DIRECTORS

84. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall

(unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

85. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

(A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

(B) where such Director has given notice in writing to the Company that he is unwilling to be re-elected;

(C) where the default is due to the moving of a resolution in contravention of the next following Article.

The retirement shall not have effect until the conclusion of the meeting or any adjournment thereof except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

APPOINTMENT OF DIRECTORS

86. A resolution for the appointment of two or more persons as

Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

87. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election or unless special notice has been given of a resolution to appoint that person as a Director in place of a Director intended to be removed by Ordinary Resolution pursuant to the next following Article, be eligible for appointment as a Director at any General Meeting unless not less than seven or more than forty two days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) 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 the person to be proposed of his willingness to be elected.

88. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director (including a Director holding any executive office) from office notwithstanding any provision of these Articles or of any agreement between the Company and

such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

89. 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 additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

90. (A) A Director may from time to time by writing under his hand appoint any other Director to be his alternate and every such alternate shall be entitled generally to have and

exercise all the powers, rights, duties and authorities (except as regards power to appoint an alternate) of the Director appointing him in the absence of such appointer. Any Director acting as an alternate shall have an additional vote for each Director for whom he acts as alternate. A Director may at any time revoke the appointment of his alternate and (subject to such approval as aforesaid) appoint another Director in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine; provided that if any Director retires by rotation but is re-elected by the meeting at which his retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. Any revocation under this Article shall be effected by notice in writing under than hand of the Director making the same and any such notice if left at the office shall be sufficient evidence of such revocation.

(B) Every Director acting as an alternate Director shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. Any such alternate

Director shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer, by way of remuneration for his services as a Director, as the appointer may by notice in writing to the Company from time to time direct; but save as aforesaid shall not in respect of such appointment be entitled to receive any remuneration from the Company.

EXECUTIVE DIRECTORS

91. The Directors may from time to time appoint one or more of their number to be the holder of any executive office (including, where considered appropriate, the office of Managing Director) for such period and upon such terms as they think fit and may vest in any such Director or Directors such of the powers vested in the Directors as they may think fit, except the power to make calls or borrow money, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions and generally upon such terms as to remuneration and otherwise as they may determine and, without prejudice to any existing contract, the Directors may revoke any such appointment. The remuneration of a Director appointed to hold an executive office may be by way of salary, commission, percentage of profits or otherwise as may be arranged.

92. A Director appointed to hold an executive office shall be subject to the same provisions as to retirement,

disqualification and removal as the other Directors of the Company and if he cease to hold the office of Director he shall, ipso facto and immediately, cease to hold the executive office to which he has been appointed unless the contract or resolution under which he holds such office shall expressly provide otherwise, but always without prejudice to any claim for damages which he may have for any breach of any contract of service between him and the Company.

PROCEEDINGS OF DIRECTORS

93. 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. In case of an equality of votes the Chairman of the meeting 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. Notice of a board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address of any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting to any Director for the time being absent from the United Kingdom.

94. 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 three. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

95. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company, (including such a contract with a person connected with him within the meaning of Section 346 of the Act), shall declare the nature of his interest in accordance with the provisions of the Statutes. The expression "contract" for the purposes of this Article shall be deemed to include any transaction or arrangement, whether or not constituting a contract.

96. (A) Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall be not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(B) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

(i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which himself has assumed responsibility in whole or in part under a guarantee or indemnity or by giving of security·

(iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of (otherwise than as nominee for the Company or any of its subsidiaries) or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or the voting rights available to members of the relevant company (any such interest being deemed for the purpose of

this Article to be a material interest in all circumstances);

(v) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;

(vi) any proposal concerning the adoption, modification or operation of a share incentive scheme, share option scheme or any other arrangement for the benefit of employees (including full-time executive directors of the Company and any of its subsidiaries) which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such scheme or arrangement relates.

(C) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred

from voting under sub-paragraph (B)(iv) of this Article shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(D) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. If any question shall arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the board.

(E) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

97. (A) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(B) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

98. The continuing Directors may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies 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 members may summon a General Meeting for the purpose of appointing Directors.

99. The Directors may from time to time elect one of their number to be Chairman and, if they think fit, one or more of their number to be Deputy-Chairman or Deputy-Chairmen or Vice-Chairman or Vice-Chairmen of the Directors and may determine the periods for which they respectively are to hold office. The Chairman, or in his absence a Deputy-Chairman or a Vice-Chairman, shall preside at meetings of the Directors but if at any meeting neither the Chairman nor a Deputy-Chairman nor a Vice-Chairman is present within five minutes after the time appointed for holding the same the Directors present shall choose one of their number to be Chairman of such meeting.

100. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

101. The Directors may delegate any of their powers, other than the powers to borrow money and make calls, to committees consisting of such two or more members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors.

102. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

103. All acts done by any meeting of Directors, or of a committee of Directors, or 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 or continuance in office 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.

BORROWING POWERS

104. (1) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow or guarantee the payment of money, and to mortgage or charge its

undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt liability or obligation of the Company or of any third party.

(2) 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 its subsidiary companies so as to secure (as regards subsidiary companies so far as by such exercise they can secure) that the aggregate amount for the time being outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and all its subsidiaries for the time being) exclusive of intra-group borrowings shall not at any time without:-

(a) the previous sanction of an Ordinary Resolution of the Company; and

(b) either the previous consent of the holders of three-fourths of the Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the Preference Shares passed in the manner set out in Article 8 hereof

exceed an amount equal to three times the adjusted total of capital and reserves.

(3) For the purposes of this Article the expression "the adjusted total of capital and reserves" means the aggregate of:-

(a) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and

(b) the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including, without limitation, any share premium account, capital redemption reserve fund, debenture stock sinking fund, property revaluation surplus account and profit and loss account) of the Company and its subsidiaries; and

(c) the amounts standing to the credit of government grants, deferred revenue account or other accounts of a similar nature of the Group;

all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries but:-

(i) adjusted as may be necessary or appropriate to reflect any variations since the date of such balance sheet in interests in subsidiaries or in the amount of the paid up share capital, share premium account, capital redemption reserve fund and property revaluation surplus account of the Company

and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten then the amount (including any premium) of the subscription moneys so underwritten (not being moneys payable later than three months after the date the underwriting becomes unconditional) shall be deemed to have been paid up at the date when the underwriting becomes unconditional;

(ii) excluding any sums attributable to outside interests in subsidiaries;

(iii) deducting any distributions to persons other than a member of the Group (other than dividends paid out of profits earned since the date of such balance sheet) in cash or specie made since that date and to provided for in such balance sheet;

(iv) deducting therefrom the amount of any debit balance on the consolidated profit and loss account of the Company and its subsidiaries;

(v) making such other adjustments (if any) as the Auditors of the Company may consider appropriate.

(4) (a) Any company which it is proposed shall become a subsidiary contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary; and

(b) The expression "moneys borrowed" shall include the following to the extent not otherwise taken into account:-

(i) the nominal amount of any issued share capital (not being equity share capital) of any subsidiary owned otherwise than by a member of the Group;

(ii) the nominal amount of any share capital and the principal amount of any borrowings or debentures, the repayment whereof is guaranteed by a member of the Group;

(iii) the principal amount of all debentures or loan capital issued by any member of the Group; and

(iv) the amount outstanding in respect of acceptances by any member of the Group not being acceptances in relation to the purchase of goods in the ordinary course of business or under acceptance credits granted by any bank or accepting house on behalf of any member of the Group;

but shall not include:-

(i) amounts borrowed for the purpose of repaying moneys borrowed by any member of the Group and for the time being outstanding provided they

are so applied within six months of being borrowed;

(ii) the proportion of moneys borrowed by any partly owned subsidiary which is equivalent to the proportion of its equity share capital not attributable to the Company.

(5) The Certificate of the Auditors for the time being of the Company as to the amount of the adjusted capital and reserves and the amount of any moneys borrowed at any time shall be conclusive and binding on all concerned.

(6) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the said limits are observed and no debt incurred or security given in excess of such limits shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limits had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

105. 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 Articles required to be exercised by the Company in General Meeting, subject nevertheless to such

regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company 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.

106. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any Local Boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

107. The Directors may from time to time and at any time by power of attorney or otherwise 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 with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) 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 them.

108. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

109. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a dominion register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

110. 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, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

111. Without restricting the generality of the foregoing powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been executive Directors of or employed by or in the service of or (with the approval of an Ordinary Resolution of the Company) non-executive Directors of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

SECRETARY

112. Subject to the provisions of the Statutes and to the duty of the Directors thereunder in relation to the qualifications of any person so appointed, the Secretary shall be appointed by the

Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

113. Any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

SEALS

114. The Directors shall provide for the safe custody of the Seal, and any official Seal kept under Section 40 of the Act and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificate for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

AUTHENTICATION OF DOCUMENTS

115. 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 and any resolutions passed by the Company or the Directors or any committee of the Directors, 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 Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such document or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

156. Subject to the provisions of the Statutes the Company may by Ordinary Resolution declare dividends but no dividend or interim dividend shall be payable except out of the profits of the Company available for the purpose, or in excess of the amount recommended by the Directors; unless and to the extent that the

rights attached to any shares or the terms of allotment thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

117. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such period as they think fit. If the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

118. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date

may at the discretion of the Directors, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

119. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

120. The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently due and payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

121. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liability or engagements in respect of which the lien exists.

122. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

123. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

124. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to anyone of such persons), or to such person and such address as such member or person or persons may be writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn 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.

125. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or properly distributable on or in respect of the share.

126. Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution director payment or satisfaction of the dividend wholly or in part by the

distribution of specific assets, and in particular of paid up shares or debentures or any other company, and the board shall given effect to the direction, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any specific assets to be distributed and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to secure equality of distribution and may vest any specific assets to be distributed in trustees as may seem expedient to the board.

RESERVES

127. The Directors may before recommending any dividend whether preferential or otherwise set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide any such 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. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to distribute.

CAPITALISATION OF PROFITS AND RESERVES

128. (A) The Company may upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not required for the payment or provision of any fixed cumulative preferential dividend; and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any Share Premium account and any Capital Redemption Reserve Fund) or (B) standing to the credit of profit and loss account or otherwise available for distribution, be capitalised, and accordingly that the Directors be authorised and directed to appropriate such sum to the Ordinary Shareholders in the proportions in which sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them

in the proportions aforesaid or partly in one way and partly in the other: Provided that Share Premium account and Capital Redemption Reserve Fund may only be applied hereunder in the paying up of unissued shares to be allotted credited as fully paid.

(B) The Company may likewise upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not so required for the payment or provision of any fixed cumulative preferential dividend and for the time being standing to the credit of any of such funds or accounts the Company as are specified in paragraph (A) of this Article but which is not available for distribution, be capitalised by applying such sum in paying up in full unissued shares of the Company of a nominal amount equal to such sum, such shares to be allotted and distributed credited as fully paid up shares to and amongst the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares.

129. Whenever such resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally

shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit in the case of shares or debentures becoming distributable in fractions (including provisions whereby the benefits of fractional entitlements accrue to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the Ordinary Shareholders into an agreement with the Company providing for the allotment credited as fully paid up of any shares or debentures 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 sum 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 concerned.

RECORD DATES

130. Notwithstanding any other provisions of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

MINUTES AND BOOKS

131. The Directors shall cause Minutes to be made in books to be provided for the purpose:-

(A) of all appointments of officers made by the Directors;

(B) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

(C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

132. Any such Minutes, if signed by the Chairman of the meeting to which they relate or at which they are read, shall be received as prima facie evidence of the facts therein stated.

133. The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a register of Directors and Secretaries, a register of members, a register of mortgages and charges, and a register of Directors' share and debenture holdings, and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

134. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in

bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

135. The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office, or at such other place within Great Britain as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a 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.

136. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

137. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person

who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever a listing on any Stock Exchange for all or any of the shares or debentures of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITOR

138. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

139. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and

to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

140. Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty four hours after the time when the envelope containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

141. In respect of joint holdings, 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.

142. A person entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as may from time to time properly be required by the Directors and upon supplying an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the

member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

143. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

144. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least two daily newspapers with a national circulation and in that event the notice shall be deemed to have been served on all members and persons entitled by transmission who are entitled to have notice of the meeting served upon them, on the day when the advertisement appears. If at least six clear days prior to the meeting the posting of

notices to addresses throughout the United Kingdom has again become practicable, the Company has sent confirmatory copies of the notice by post to the persons entitled to receive them.

UNTRACED SHAREHOLDERS

145. The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of The Stock Exchange to sell them in accordance with the best practice then obtaining if:-

(i) the shares have been in issue throughout the qualifying period (as defined below) and at least three cash dividends have become payable on the shares during the qualifying period,

(ii) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares at any time during the relevant period,

(iii) so far as any Director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares,

(iv) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the address of the holder of, or person entitled by

transmission to, the shares shown in the register, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates, and

(v) the Company has given notice to the Quotations Department of The Stock Exchange of its intention to make the sale.

For the purpose of this paragraph of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (iv) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (i) to (v) above have been satisfied.

If, after the publication of either or both of the advertisements referred to in sub-paragraph (iv) above but before the Company has become entitled to sell the shares pursuant to this paragraph of this article, the requirements of sub-paragraph (ii) or (iii) above cease to be satisfied, the Company may nevertheless sell those shares after the requirements of sub-paragraphs (i) to (v) above have been satisfied afresh in relation to them.

If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub-paragraphs (ii) to (v) above have been satisfied in regard to the further shares, the Company may also sell the further shares.

To give effect to any sale of shares pursuant to this paragraph of this Article the board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit.

WINDING UP

146. If the Company shall be wound up (whether the liquidation is 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 determine how such division shall be carried out as between the members or different classes of members. 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 or other property in respect of which there is a liability.

INDEMNITY

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

What is contained on this and the 80 preceding Pages is a print of the Articles of Association adopted on 28th March 1989

15382

THE COMPANIES ACTS 1985

COMPANY LIMITED BY SHARES

MEMORANDUM and ARTICLES

of

ASSOCIATION
(as altered and adopted on 28th March, 1988)

of

Johnston Press plc

Incorporated: 31st December, 1928.

C.R.O. EDINBURGH
30 APR 1988

MacRoberts
Solicitors,
Glasgow.
ID/EB/
[CPYJ:JOH188.MEM]

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
(as altered on 28th March, 1988)

of

Johnston Press plc

I. The name of the Company is "Johnston Press plc".

I.A The Company is to be a public company.

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

III. The objects for which the Company is established are:-

(a) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic work of any description and to acquire the goodwill and assets of and continue the publication of any existing newspapers, periodicals, or other publications, and in particular to acquire the business of Frederick Johnston & Company, printers and publishers and proprietors of the Falkirk Herald and Linlithgowshire Gazette newspapers and carrying on business at Falkirk, Linlithgow, Grangemouth, and elsewhere, together with the whole property and assets,

* The name of the Company was changed to Johnston Press plc pursuant to a Special Resolution passed on 28th March 1988.

heritable and moveable, belonging to or held in trust for the said Frederick Johnston & Company, and for this purpose to enter into and carry into effect a Minute of Agreement proposed to be entered into immediately after the incorporation of the Company between the said Frederick Johnston & Company and the partners and proprietors thereof on the one part, and the Company on the other part, and of which proposed Agreement a draft has been docquetted and signed by the first parties thereto.

(b) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(c) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and

premiums of such character and on such terms as may seem expedient.

(d) To undertake and transact all kinds of agency business, to manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(e) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings, and to construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(f) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(g) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(h) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other

company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(i) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or undewrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares, stock, or securities amongst the members of the Company in specie.

(j) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any

business capable of being conducted so as directly or indirectly to benefit the Company.

(k) To pay for any business, undertaking, property, or rights, heritable of moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(l) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments, or otherwise, or in shares of any company or corporation, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(m) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company,

and in such manner as may from time to time be determined (and that free from the restrictions imposed by statute upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(n) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, debentures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bills of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To grant guarantees for the indebtedness or obligations of any Company, Firm or Person, and to secure the performance

thereof by a charge or lien upon the whole or any part of the Company's assets including uncalled Capital or in any other manner or way as the Company shall see fit.

(q) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissory notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(r) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(s) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(t) To remunerate any person. firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise.

(u) To give or award pensions, annuities, gratuities, superannuation or other allowances or benefits, to any

persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of, or allied or associated with, the Company or any such holding company or subsidiary company, and to the wives, widows, children and other relatives and dependants of any such persons; to set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or noncontributory) and to make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them; to support or subscribe to any charitable funds or institution the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees; and to subscribe or guarantee money for any exhibition or for any public, general or useful object.

(v) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may determine, and for that purpose to apply part of the

profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(w) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(x) To modify from time to time, by special resolution, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the share capital into shares of larger or smaller amount than the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction required by law and the regulations of the Company.

(y) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(z) To do all such other things as are incidental or conducive to the attainment of the above subjects.

IV. The liability of the members is limited.

V. The share capital of the Company is £4,000,000 divided into 756,000 12 3/4 per cent Cumulative Preference Shares of £1 each and 32,440,000 Ordinary Shares of 10p each.

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

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
(Sgd.) FRED. JOHNSTON, 125 High Street, Falkirk, Printer and Publisher	One Ordinary Share
(Sgd.) JOHN ARCH. JOHNSTON, Marchmont, Dumfries, Retired Clergyman	One Ordinary Share

Dated the Twenty-fourth day of December, Nineteen hundred and Twenty eight.

Witness to the above Signatures:-

(Sgd.) Margaret Stevenson,
61 High Street,
Falkirk,
Typist.

What is contained on this and the 10 preceding pages is a print of the Memorandum of Association of the Company altered by a Special Resolution passed on 28th March 1988.

M.L.A. Chiappelli
Secretary

ALEXANDER SLOAN & CO. Chartered Accountants

142 ST. VINCENT STREET
GLASGOW G2 5LB
TELEPHONE: 041-248 6976

HEW C. DAVIDSON
JOHN WILLOUGHBY
ROBERT LINTON
IAIN A. T. MOWAT

15382

F. JOHNSTON & CO. LTD.

We hereby confirm, as Auditors of the above Company, that the attached Balance Sheet shows that as at 31st December 1987 the amount of the Company's Net Assets (within the meaning given to that expression by Section 264(2) of the Companies Act 1985) are not less than the aggregate of its called up share capital and undistributable reserves.

Alexander Sloan & Co. CA

Glasgow, 28th March 1988

C.R.O. EDINBURGH
30 MAR 1988

C.R.O. EDIN...
28 MAR 1988

Notice of increase in nominal capital

123

Please do not write in this margin

Pursuant to section 123 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 15382

Please complete legibly, preferably in black type, or bold block lettering

Name of company

* F. Johnston & Company, Limited

* insert full name of company

gives notice in accordance with section 123 of the above Act that by resolution of the company dated 28th March 1988 the nominal capital of the company has been increased by £ 2,500,000 beyond the registered capital of £ 1,500,000.

§ the copy must be printed or in some other form approved by the registrar

A copy of the resolution authorising the increase is attached.§

The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follow:

pari passu with existing Ordinary Shares of 10p each

Please tick here if continued overleaf ☐

† delete as appropriate

Signed [signature] [Director][~~Secretary~~]† Date 28/3/88

Presentor's name address and reference (if any):

MacRoberts, Solicitors
152 Bath Street
GLASGOW G2 4TB

GMB/ID/KW/1JSPE.001

For official Use

General Section

Post room

C.R.O. EDINBURGH 30 MAR 1988

C.R.O. EDINBURGH 28 MAR 1988

COMPANIES FORM No. 123

Notice of increase in nominal capital

123

Please do not write in this margin

Pursuant to section 123 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 15382

Please complete legibly, preferably in black type, or bold block lettering

Name of company

* F. Johnston & Company, Limited

* insert full name of company

gives notice in accordance with section 123 of the above Act that by resolution of the company dated 28th March 1988 the nominal capital of the company has been increased by £ 2,500,000 beyond the registered capital of £ 1,500,000.

§ the copy must be printed or in some other form approved by the registrar

A copy of the resolution authorising the increase is attached.§

The conditions (eg. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follow:

pari passu with existing Ordinary Shares of 10p each

Please tick here if continued overleaf ☐

† delete as appropriate

Signed [signature] [Director][~~Secretary~~]† Date 28/3/88

Presentor's name address and reference (if any):

MacRoberts, Solicitors
152 Bath Street
GLASGOW G2 4TB

GMB/ID/KW/1JSPE.001

For official Use

General Section

Post room

C.R.O. 30 MAR 1988

C.R.O. EDINBURGH 28 MAR 1988

COMPANIES FORM No. 122

Notice of consolidation, division, sub-division, redemption or cancellation of shares, or conversion, re-conversion of stock into shares

122

Please do not write in this margin

Pursuant to section 122 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 15382

Please complete legibly, preferably in black type, or bold block lettering

Name of company

* F. Johnston & Company, Limited

* insert full name of company

gives notice that:

By Special Resolution passed on 28th March 1988 each of the Ordinary Shares of £1 each in the capital of the Company was sub-divided into 10 Ordinary Shares of 10p each.

† delete as appropriate

Signed [signature] [Director][~~Secretary~~]† Date 28/3/88

Presentor's name address and reference (if any):

MacRoberts, Solicitors
152 Bath Street
GLASGOW
G2 4TB

GMB/ID/KW/1JSPE.001

For official Use
General Section

Post room

C.R.O. EDINBURGH
30 MAR 1988

C.R.O. EDINBURGH
28 MAR 1988

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to Section 378 (2) of the Companies Act 1985)

of

JOHNSTON PRESS plc

Passed : 18th April, 1988

At the ANNUAL GENERAL MEETING of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh on 18th April 1988 the following Resolution was passed as a Special Resolution of the Company:-

SPECIAL RESOLUTION

That the Memorandum of Association of the Company with respect to the objects thereof be and is hereby altered by the deletion of Sub-clause 111(a) and the substitution of the following Sub-clause therefor:

"(a) (1) To acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and other securities of any company, undertaking or public body.

(2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations and other securities by original subscription, tender, purchase, exchange or otherwise, to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

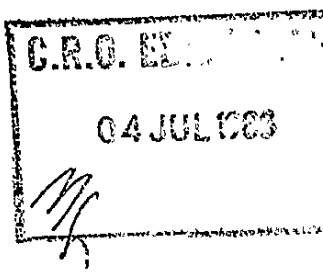
(3) To co-ordinate the administration, management, supervision and control and all activities of any companies or undertakings.

(4) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic works of any description."

Secretary

Registered Office:-

53 Manor Place
EDINBURGH.



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THE COMPANIES ACTS 1985

COMPANY LIMITED BY SHARES

MEMORANDUM of ASSOCIATION
(as altered on 18th April, 1988)

of

JOHNSTON PRESS plc

Incorporated: 31st December, 1928.

MacRoberts
Solicitors,
Glasgow.
GMB/ID/MM/
[CPYJ:JOH188.MEM]

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM of ASSOCIATION
(as altered on 18th April, 1988)

of

JOHNSTON PRESS plc

I. The name of the Company is "Johnston Press plc".

I.A The Company is to be a public company.

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

III. The objects for which the Company is established are:-

(a) (1) To acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and other securities of any company, undertaking or public body.

(2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations and other securities by original subscription, tender, purchase, exchange or otherwise, to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

* The name of the Company was changed to Johnston Press plc on 12th April, 1988.

(3) To co-ordinate the administration, management, supervision and control and all activities of any companies or undertakings.

(4) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic works of any description.

(b) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(c) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may seem expedient.

(d) To undertake and transact all kinds of agency business, to manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(e) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings, and to construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(f) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(g) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(h) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other

company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(i) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or undewrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares, stock, or securities amongst the members of the Company in specie.

(j) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any

business capable of being conducted so as directly or indirectly to benefit the Company.

(k) To pay for any business, undertaking, property, or rights, heritable of moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(l) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments, or otherwise, or in shares of any company or corporation, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(m) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company, and in such manner as may from time to time be determined (and that free from the restrictions imposed by statute

upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(n) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, debentures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bills of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To grant guarantees for the indebtedness or obligations of any Company, Firm or Person, and to secure the performance thereof by a charge or lien upon the whole or any part of

the Company's assets including uncalled Capital or in any other manner or way as the Company shall see fit.

(q) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissory notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(r) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(s) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(t) To remunerate any person, firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise.

(u) To give or award pensions, annuities, gratuities, superannuation or other allowances or benefits, to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any

company which is the holding company of, or a subsidiary company of, or allied or associated with, the Company or any such holding company or subsidiary company, and to the wives, widows, children and other relatives and dependants of any such persons; to set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or noncontributory) and to make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them; to support or subscribe to any charitable funds or institution the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees; and to subscribe or guarantee money for any exhibition or for any public, general or useful object.

(v) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may determine, and for that purpose to apply part of the profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(w) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(x) To modify from time to time, by special resolution, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the share capital into shares of larger or smaller amount than the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction required by law and the regulations of the Company.

(y) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(z) To do all such other things as are incidental or conducive to the attainment of the above subjects.

IV. The liability of the members is limited.

V. The share capital of the Company is £4,000,000 divided into 756,000 12 3/4 per cent Cumulative Preference Shares of £1 each and 32,440,000 Ordinary Shares of 10p each.

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

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
(Sgd.) FRED. JOHNSTON, 125 High Street, Falkirk, Printer and Publisher	One Ordinary Share
(Sgd.) JOHN ARCH. JOHNSTON, Marchmont, Dumfries, Retired Clergyman	One Ordinary Share

Dated the Twenty-fourth day of December, Nineteen hundred and Twenty eight.

Witness to the above Signatures:-

(Sgd.) Margaret Stevenson,
61 High Street,
Falkirk,
Typist.

What is contained in this and the ten preceding pages is a print of the Memorandum of Association as altered by Special Resolution passed on 18th April, 1988.

(M.L.A. Chiappelli)
Director

15382

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(pursuant to Section 378 (2) of the Companies Act 1985)

of

JOHNSTON PRESS plc

Passed 14th November 1988

At an EXTRAORDINARY GENERAL MEETING of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh on 14th November 1988 the following Resolution was passed as a Special Resolution:-

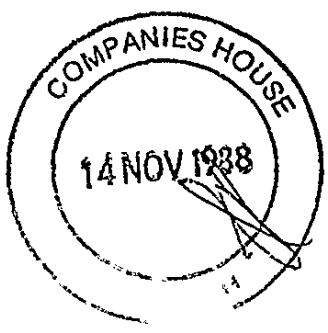
RESOLUTION

"Subject to the confirmation of the Court of Session, the share premium account of the Company be reduced by £4,000,000."

(M.L.A. Chiappelli)
Secretary

Registered Office:

53 Manor Place,
Edinburgh.



Notice of place where register of members is kept or of any change in that place

Note: This notice is not required where the register is and has, since 1 July 1948, always been kept at the Registered Office

353

Please do not write in this margin

Pursuant to section 353 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 15382

Please complete legibly, preferably in black type, or bold block lettering

Name of company

* Johnston Press plc

* insert full name of company

gives notice that the register of members is [now] kept at:

The Royal Bank of Scotland plc
Registrar's Department
Owen House, 8 Bankhead Crossway North
Edinburgh Postcode EH11 4BR

† delete as appropriate

Signed [signature] [Director][Secretary]† Date 25th July 1988

Presentor's name address and reference (if any):

For official Use
General Section

COMPANIES REGISTRATION
27 JUL 1988
OFFICE

Post room

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to Section 378 (2) of the Companies Act 1985)

of

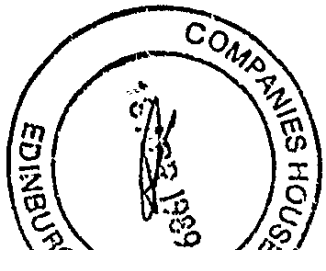
JOHNSTON PRESS plc

Passed 14th April 1989

At an ANNUAL GENERAL MEETING of JOHNSTON PRESS plc duly convened and held at George Hotel, George Street, Edinburgh on 14th April 1989 the following resolution was passed, as a Special Resolution of the Company:-

"That the Directors be and are hereby empowered pursuant to the provisions of Section 95 of the Companies Acts, 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) for cash, as if sub-section (1) of, section 89 of the Act did not apply to any such allotment provided that this power shall be limited:

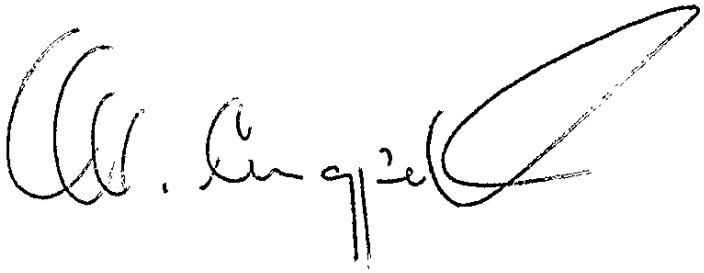
(i) to the allotment of such equity securities in connection with a rights issue in favour of Ordinary Shareholders where the equity securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them subject



only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £119,000.

This power shall expire unless previously revoked or varied on the date of the Annual General Meeting of the Company held in 1990 save that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the Directors may allot equity securities in the pursuance of such offer or agreement as if the power conferred hereby had not expired."



Registered Office

53 Manor Place
Edinburgh

ARTICLES OF ASSOCIATION

of

Johnston Press plc
(as altered on 17th January 1990)

15382

MACROBERTS
SOLICITORS
GLASGOW · EDINBURGH · LONDON

THE COMPANIES ACT, 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

Johnston Press plc
(as altered on 17th January 1990)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule to the Companies Consolidation Act 1908 or as contained or altered in pursuance of any subsequent Act, shall apply to the Company and are hereby expressly excluded.

2. In these Articles (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 them respectively in the second column thereof.

WORDS	MEANINGS
The Act	The Companies Act 1985
The Statutes	The Companies Act 1985 and every other Act for the time being in force concerning companies and affecting the company or any statutory re-enactment or modification thereof for the time being in force, and any reference to any

	section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
These Articles	These Articles of Association or other Articles of Association of the Company from time to time in force.
The Auditor	The auditor for the time being of the Company or, in the case of joint auditors, any one of them.
Office	The registered office of the Company.
Directors	The Directors for the time being of the Company or a meeting of the Directors at which a quorum is present.
Transfer Office	The place where the Register of Members is situate.
Register	The Register of Members required to be kept by the Statutes.
Seal	The Common Seal of the Company or any official seal that the Company may be permitted to have under the Statutes.
The Secretary	The Secretary, or (if there are joint secretaries) any one of the joint secretaries,

	of the Company and including an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the Secretary.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar Month.
Year	Calendar Year.
In writing	Written, or produced by any substitute for writing, or partly one and partly the other.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

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

Words importing the masculine gender only shall include the feminine gender.

The expression "Secretary" shall include any person (whether legal or natural) appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint Secretaries shall include any one of those persons.

Save as aforesaid any word or expression defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meaning in these Articles.

BUSINESS

3. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

CAPITAL

4. The authorised share capital of the Company is £4,415,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each ("the Preference Shares") 415,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each ("the "A" Preference Shares") and 32,440,000 Ordinary Shares of 10p each ("the Ordinary Shares")

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

(1) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates;

(b) second in paying to the holders of the "A" Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates save that the dividend payable to the holders of the "A" Preference Shares on 30th June 1990 will amount pro rata to £9.86 per £100 nominal of "A" Preference Shares;

(c) third in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(2) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto, the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Preference Share shall be deemed to be:-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares as derived from each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up or (in any other case) the date which is

seven days prior to the day of posting of the notices convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 13 3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying to the holders of the "A" Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(c) third but subject to the provisions of Article 116 in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(3) FURTHER ISSUES OF SHARES

(a) The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation

in the profits or assets of the company pari passu with the Preference Shares;

(b) The special rights conferred upon the holders of the "A" Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation in the profits or assets of the company prior to or pari passu with the "A" Preference Shares;

(4) VOTING

(a) The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying

any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

(b) the "A" Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges

attached to such Shares and then only on such Resolution;

and in such cases each holder of the "A" Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of "A" Preference Share capital held by him.

6. Without prejudice to any special rights previously conferred on the holders of any shares or classes of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by Article 8 hereof), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue shares which are, or at the option of the Company or the shareholder are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.

7. Subject to the provisions of these Articles and the Statutes, the shares in the capital of the Company for the time being

unissued shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

VARIATION OF RIGHTS

8. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal value of the issued shares of the class in question (but so that if at any adjourned meeting a quorum as above defined is not present any one holder of shares of the class in question present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may

demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

ALTERATION OF CAPITAL

9. The Company 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. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, any share may be issued which is to be redeemed at the option of the Company or the holder, on such terms and in such manner as may be provided by these Articles.

10. (A) The Company may by Ordinary Resolution:-

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

(2) 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; and

(3) sub-divide its shares, or any of them, into shares of a 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(B) Where as a result of any consolidation or sub-division of shares any members would become entitled to fractions of a share the Directors may settle the same as they think expedient and in particular may issue fractional certificates or arrange for the sale of the shares

representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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.

11. The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by the Statutes.

12. Subject to the provisions of the Statutes, the Company may purchase all or any of its shares of any class, including any redeemable shares. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of any shares which at the date on which the contract is authorised by the Company in general meeting entitle them, either immediately or at any time later on, to convert all or any of the shares of that class held by them into equity

share capital of the Company. Neither the Company nor the b
shall be required to select the shares to be purchased rate
or in any other particular manner as between the holders
shares of the same class or as between them and the holder
shares of any other class or in accordance with the rights a
dividends or capital conferred by any class of sha
Notwithstanding anything to the contrary contained in t
Articles, the rights attached to any class of shares shall
deemed not to be varied by anything done by the Company pursu
to this paragraph of this Article.

SHARES

13. The Company may exercise the powers of paying commissi
conferred by the Statutes. The amount or the rate per cent
the amount of the commission paid or agreed to be paid shall
disclosed in the manner required by the Statutes, and s
commission shall not exceed 10 per cent of the price at wh
the shares in respect of which the commission is paid
issued. The Company may also on any issue of shares pay s
brokerage as may be lawful.

14. The Company shall not be bound to recognise but shall
entitled to recognise in such manner and to such extent as
may think fit any trusts in respect of any of the shares
the Company. Notwithstanding any such recognition, the Comp
shall not be bound to see to the execution, administration

share capital of the Company. Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied by anything done by the Company pursuant to this paragraph of this Article.

SHARES

13. The Company may exercise the powers of paying commissions conferred by the Statutes. The amount or the rate per cent of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes, and such commission shall not exceed 10 per cent of the price at which the shares in respect of which the commission is paid are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.

14. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or

observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

CERTIFICATES

15. Every certificate for shares or debentures of the Company shall be issued under the Seal or an official seal kept under Section 40 of the Act. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

16. Every person whose name is entered as a member in the Register of Members (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready a certificate) shall be entitled without fee within one month after the date of expiration of any right of renunciation in the case of allotment or within fourteen days of the lodgement of

transfer as the case may be to one certificate for all his shares of any one class or several certificates, each for one or more of his shares of any one class. Provided that the Company shall not be bound to register more than four persons as the joint holders of a share 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 to one of such persons shall be sufficient delivery to all.

17. Where a member (except such a Stock Exchange nominee) transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without fee.

18. If a share certificate shall be damaged, defaced, lost, stolen or destroyed, it may be replaced by a new certificate without charge and on delivery up of the certificate or (if lost, stolen or destroyed) on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request for the new certificate as the Directors think fit.

CALLS ON SHARES

19. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of allotment thereof made payable at fixed

times. 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. The person upon whom a call is made shall remain liable for the call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

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

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. 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 20 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or issue or at any fixed date shall for all the purposes of these Articles be deemed to be a

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

24. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 15 per cent per annum) as the member paying such moneys and the Directors agree upon.

FORFEITURE AND LIEN

26. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter 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.

27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.

28. 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 share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

29. A share so forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender 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, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise

some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

30. A member any or all of whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of those shares with interest thereof at 20 per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

31. The Company shall have a first and paramount lien on every share (not being a share fully paid as to its nominal value and as to any premium payable thereon) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on any shares (other than a share fully paid as to its nominal value and as to any premium payable thereon) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that 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 time 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 on a share shall extend to all dividends payable thereon whether or not due and payable. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32. The Company may sell in such manner as the Directors think fit any share 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 due and payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently due and 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 thereto by reason of his death or bankruptcy.

33. 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 debts or liabilities in respect whereof the lien exists so far as the same are presently due and payable and any residue shall (subject to a like lien for debts or liabilities not

presently due and payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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. Such a 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 Share Certificate delivered to a purchaser 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, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing

in any usual or common form or in such other form as the Directors may approve. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

36. Subject to the provisions of Section 358 of the Act, the registration of transfers may be suspended and the Register closed at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares, provided that the Register shall not be closed for more than thirty days in any year.

37. The Directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer of a share (not being a fully paid share) and they may also refuse to register any transfer of shares to joint holders where the number of joint holders to whom the shares are to be transferred exceeds four. The Directors may also decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to

make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

38. If the Directors refuse to register a transfer of any share, 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.

39. All instruments of transfer, when registered may be retained by the Company but the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all other documents on the faith of which entries have been made in the Register of Members and any instructions concerning the payment of dividends or other monies in respect of any share in both cases at any time after the expiration of two years from the date of registration thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and 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 certificate 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 of this Article 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 other circumstances which would not attach to the Company but for the provisions of this Article; and

(iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

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

TRANSMISSION OF SHARES

42. In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or personal representatives 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 interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

43. (A) Subject to the provisions of the preceding Article any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon such evidence being produced as may from time to time properly be required by the Directors either (a) be registered as holder of the share in a representative capacity or (b) be registered himself as holder of the share or (c) transfer such share to some other person. The Directors shall, in any case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

(B) The intimation to the Company, by or on behalf of any person becoming entitled to a share in accordance with sub-paragraph (A) of this Article, of the evidence therein required shall be deemed to be a request by such person to be registered as holder of the share in a representative capacity unless such person shall otherwise elect as aftermentioned, provided always that such registration shall not impose any personal liability upon such person in respect of the share. 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 and if he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles 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 signed by that member.

44. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to

show his title to the share) shall be entitled save as hereinafter provided to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share. Provided that such person shall not be entitled to receive notice of, attend or vote at any general meetings of the Company until he is registered as the holder of such share.

STOCK

45. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock or re-convert any stock into paid-up shares of any denomination.

46. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of the class.

47. 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 prior to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the

shares from which the stock arose) as the Directors may from time to time determine.

48. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in dividends or the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

GENERAL MEETINGS

49. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

50. The Directors may whenever they think fit call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition or, in default, such meeting may be convened by such requisitionists, as provided by the Statutes.

NOTICE OF GENERAL MEETINGS

51. An Annual General Meeting and any General Meeting at which it is

proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty one days' notice in writing and any other General Meeting by at least fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all members other than such as are not, under the provisions of these Articles, entitled to receive such notices from the Company and to the Auditors: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

(A) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and

(B) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him, and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which special business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

53. All business shall be deemed special that is transacted at an Extraordinary Meeting and also all that is transacted at an Annual General Meeting with the exception of the following:-

(A) declaring dividends;

(B) considering the Accounts of the Company, the reports of the Directors and Auditors and other documents required to be annexed to the Accounts;

(C) appointing or re-appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(D) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement (whether by rotation or otherwise) and fixing the remuneration of the Directors in accordance with the provisions of these Articles.

54. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

(A) give to the members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(B) circulate to the members entitled to have notice of any General Meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy and entitled to vote at the meeting shall be a quorum for all purposes.

56. If within fifteen minutes from the time appointed for a General 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 Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman or if at any meeting he shall not be present within five minutes after the time appointed for holding the same, or shall be unwilling to preside, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be Chairman of the meeting.

58. The Chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty 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 either:-

(A) the Chairman of the meeting; or

(B) not less than five members present in person or by proxy and entitled to vote; or

(C) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(D) a member or members present in person or by proxy and 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

60. A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting 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 that fact without proof of the number or proportion

of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

61. 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 the poll is demanded shall be entitled to a casting vote.

62. 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 immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

63. 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

64. Subject to any special rights or restrictions as to voting

attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share of the Company held by him.

65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

66. A member being a minor, pupil or otherwise under any legal disability may vote, whether on a show of hands or on a poll, by his curator, tutor, committee, judicial factor, curator bonis or other legal curator provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

67. No member shall, unless the Directors otherwise determine, be entitled to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company unless all calls or other

sums presently due and payable by him in respect of shares in the Company have been paid.

68. Without prejudice to the provisions of Article 67 no member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or rendered and every vote not disallowed at such meeting shall be valid for all purposes. Any

such objection 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 and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71. A proxy need not be a member of the Company.

72. The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may prescribe or accept and:-

(A) in the case of an individual shall be signed by the appointer or by his attorney; and

(B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

73. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed shall be deposited at the Office (or at such other place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or in the case of a poll, not less than twenty

four hours before the time appointed for the taking of the poll, at which the person named in the instrument proposes to vote and in default shall not be treated as valid. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share.

74. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

75. A vote cast in accordance with the terms of the instrument of proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made

provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

77. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors shall not be less than three nor more than fifteen.

78. A Director shall not be required to hold any shares of the Company to qualify him to act as such Director. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings of the Company.

79. In addition to any salary or other remuneration which may be paid to the Directors or any of them under or pursuant to any other provisions of these Articles the remuneration of the Directors as such shall be such sum as may from time to time be determined by the Company in General Meeting. Such remuneration shall be deemed to accrue from day to day and shall be divisible among the Directors as they may by resolution agree or failing such agreement equally. Notwithstanding the foregoing provisions of this Article the Directors (who are not managing or executive directors) shall be paid such remuneration by way of fees as the Board may determine save that unless the Company in General Meeting may otherwise approve the aggregate of such fees shall not exceed £30,000 per annum.

80. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or which he may otherwise incur in or about the business of the Company.

81. Any Director who is appointed to any executive office or who otherwise performs any special or professional services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

82. The Directors may entrust to and confer upon any Director 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.

DISQUALIFICATION OF DIRECTORS

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

(a) if he ceases to be a Director by virtue of Section 293 of the Act;

(b) if he shall become prohibited by law from acting as a Director;

(c) if by notice in writing to the Company he resigns his office;

(d) if he shall have a receiving order made against him, become bankrupt, execute a trust deed for behoof of his creditors or shall compound with his creditors generally;

(e) if he shall become of unsound mind or otherwise incapax;

(f) if he shall be absent from meetings of the Directors for a continuous period of six months without leave and the Directors shall resolve that his office is vacated;

(g) if he is removed from office as provided in Article 88; or

(h) if he is requested in writing by all the other Directors to resign.

RETIREMENT OF DIRECTORS

84. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

85. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

(A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

(B) where such Director has given notice in writing to the Company that he is unwilling to be re-elected;

(C) where the default is due to the moving of a resolution in contravention of the next following Article.

The retirement shall not have effect until the conclusion of the meeting or any adjournment thereof except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

APPOINTMENT OF DIRECTORS

86. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

87. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election or unless special notice has been given of a resolution to appoint that person as a Director in place of a Director intended to be removed by Ordinary Resolution pursuant to the next following Article, be eligible for appointment as a Director at any

General Meeting unless not less than seven or more than forty two days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) 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 the person to be proposed of his willingness to be elected.

88. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director (including a Director holding any executive office) from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

89. 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 additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

90. (A) A Director may from time to time by writing under his hand appoint any other Director to be his alternate and every such alternate shall be entitled generally to have and exercise all the powers, rights, duties and authorities (except as regards power to appoint an alternate) of the Director appointing him in the absence of such appointer. Any Director acting as an alternate shall have an additional vote for each Director for whom he acts as alternate. A Director may at any time revoke the appointment of his alternate and (subject to such approval as aforesaid) appoint another Director in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon

cease and determine; provided that if any Director retires by rotation but is re-elected by the meeting at which his retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. Any revocation under this Article shall be effected by notice in writing under than hand of the Director making the same and any such notice if left at the office shall be sufficient evidence of such revocation.

(B) Every Director acting as an alternate Director shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. Any such alternate Director shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer, by way of remuneration for his services as a Director, as the appointer may by notice in writing to the Company from time to time direct; but save as aforesaid shall not in respect of such appointment be entitled to receive any remuneration from the Company.

EXECUTIVE DIRECTORS

91. The Directors may from time to time appoint one or more of their number to be the holder of any executive office (including,

where considered appropriate, the office of Managing Director) for such period and upon such terms as they think fit and may vest in any such Director or Directors such of the powers vested in the Directors as they may think fit, except the power to make calls or borrow money, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions and generally upon such terms as to remuneration and otherwise as they may determine and, without prejudice to any existing contract, the Directors may revoke any such appointment. The remuneration of a Director appointed to hold an executive office may be by way of salary, commission, percentage of profits or otherwise as may be arranged.

92. A Director appointed to hold an executive office shall be subject to the same provisions as to retirement, disqualification and removal as the other Directors of the Company and if he cease to hold the office of Director he shall, ipso facto and immediately, cease to hold the executive office to which he has been appointed unless the contract or resolution under which he holds such office shall expressly provide otherwise, but always without prejudice to any claim for damages which he may have for any breach of any contract of service between him and the Company.

PROCEEDINGS OF DIRECTORS

93. 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. In case of an equality of votes the Chairman of the meeting 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. Notice of a board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address of any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting to any Director for the time being absent from the United Kingdom.

94. 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 three. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

95. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company, (including such a contract with a person connected with him within the meaning of Section 346 of the Act), shall declare the nature of his interest in accordance with the provisions of the Statutes. The expression "contract" for the purposes of this

Article shall be deemed to include any transaction or arrangement, whether or not constituting a contract.

96. (A) Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall be not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(B) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

(i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which himself has assumed responsibility in whole or in part under a guarantee or indemnity or by giving of security;

(iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of (otherwise than as nominee for the Company or any of its subsidiaries) or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

(v) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;

(vi) any proposal concerning the adoption, modification or operation of a share incentive scheme, share option scheme or any other arrangement for the benefit of employees (including full-time executive directors of the Company and any of its subsidiaries) which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such scheme or arrangement relates.

(C) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph (B)(iv) of this Article shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(D) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from

voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. If any question shall arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the board.

(E) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

97. (A) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his

tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(B) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

98. The continuing Directors may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies 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 members may summon a General Meeting for the purpose of appointing Directors.

99. The Directors may from time to time elect one of their number to be Chairman and, if they think fit, one or more of their number to be Deputy-Chairman or Deputy-Chairmen or Vice-Chairman or Vice-Chairmen of the Directors and may determine the periods for which they respectively are to hold office. The Chairman, or in his absence a Deputy-Chairman or a Vice-Chairman, shall preside at meetings of the Directors but if at any meeting neither the Chairman nor a Deputy-Chairman nor a Vice-Chairman is present within five minutes after the time appointed for holding the same the Directors present shall choose one of their number to be Chairman of such meeting.

100. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

101. The Directors may delegate any of their powers, other than the powers to borrow money and make calls, to committees consisting of such two or more members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors.

102. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same

are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

103. All acts done by any meeting of Directors, or of a committee of Directors, or 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 or continuance in office 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.

BORROWING POWERS

104. (1) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow or guarantee the payment of money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(2) 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 its subsidiary companies so as to secure (as regards subsidiary companies so far as by such exercise they can

secure) that the aggregate amount for the time being outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and all its subsidiaries for the time being) exclusive of intra-group borrowings shall not at any time without:-

(a) the previous sanction of an Ordinary Resolution of the Company; and

(b) either the previous consent of the holders of three-fourths of the Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the Preference Shares passed in the manner set out in Article 8 hereof; and

(c) either the previous consent of the holders of three-fourths of the "A" Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the "A" Preference Shares passed in the manner set out in Article 8 hereof;

exceed an amount equal to three times the adjusted total of capital and reserves.

(3) For the purposes of this Article the expression "the adjusted total of capital and reserves" means the aggregate of:-

(a) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and

(b) the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including, without limitation, any share premium account, capital redemption reserve fund, debenture stock sinking fund, property revaluation surplus account and profit and loss account) of the Company and its subsidiaries; and

(c) the amounts standing to the credit of government grants, deferred revenue account or other accounts of a similar nature of the Group;

all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries but:-

(i) adjusted as may be necessary or appropriate to reflect any variations since the date of such balance sheet in interests in subsidiaries or in the amount of the paid up share capital, share premium account, capital redemption reserve fund and property revaluation surplus account of the Company and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten then the amount

(including any premium) of the subscription moneys so underwritten (not being moneys payable later than three months after the date the underwriting becomes unconditional) shall be deemed to have been paid up at the date when the underwriting becomes unconditional;

(ii) excluding any sums attributable to outside interests in subsidiaries;

(iii) deducting any distributions to persons other than a member of the Group (other than dividends paid out of profits earned since the date of such balance sheet) in cash or specie made since that date and to provided for in such balance sheet;

(iv) deducting therefrom the amount of any debit balance on the consolidated profit and loss account of the Company and its subsidiaries;

(v) making such other adjustments (if any) as the Auditors of the Company may consider appropriate.

(4) (a) Any company which it is proposed shall become a subsidiary contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary; and

(b) The expression "moneys borrowed" shall include the following to the extent not otherwise taken into account:-

(i) the nominal amount of any issued share capital (not being equity share capital) of any subsidiary owned otherwise than by a member of the Group;

(ii) the nominal amount of any share capital and the principal amount of any borrowings or debentures, the repayment whereof is guaranteed by a member of the Group;

(iii) the principal amount of all debentures or loan capital issued by any member of the Group; and

(iv) the amount outstanding in respect of acceptances by any member of the Group not being acceptances in relation to the purchase of goods in the ordinary course of business or under acceptance credits granted by any bank or accepting house on behalf of any member of the Group;

but shall not include:-

(i) amounts borrowed for the purpose of repaying moneys borrowed by any member of the Group and for the time being outstanding provided they are so applied within six months of being borrowed;

(ii) the proportion of moneys borrowed by any partly owned subsidiary which is equivalent to the proportion of its equity share capital not attributable to the Company.

(5) The Certificate of the Auditors for the time being of the Company as to the amount of the adjusted capital and reserves and the amount of any moneys borrowed at any time shall be conclusive and binding on all concerned.

(6) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the said limits are observed and no debt incurred or security given in excess of such limits shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limits had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

105. 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 Articles required to be exercised by the Company in General Meeting, subject nevertheless to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special

Resolution of the Company, but no regulation so made by the Company 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.

106. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any Local Boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

107. The Directors may from time to time and at any time by power of attorney or otherwise 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 with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) 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 them.

108. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

109. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a dominion register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

110. 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, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

111. Without restricting the generality of the foregoing powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been executive Directors of or employed by or in the service of or (with the approval of an Ordinary Resolution of the Company) non-executive Directors of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

SECRETARY

112. Subject to the provisions of the Statutes and to the duty of the Directors thereunder in relation to the qualifications of any person so appointed, the Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for

damages for breach of any contract of service between him and the Company.

113. Any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

SEALS

114. The Directors shall provide for the safe custody of the Seal, and any official Seal kept under Section 40 of the Act and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificate for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

AUTHENTICATION OF DOCUMENTS

115. 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 and any resolutions passed by the Company or the Directors or any

committee of the Directors, 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 Office, the local manager or other officer of the Company havin the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such document or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

116. Subject to the provisions of the Statutes the Company may by Ordinary Resolution declare dividends but no dividend or interim dividend shall be payable except out of the profits of the Company available for the purpose, or in excess of the amount recommended by the Directors; unless and to the extent that the rights attached to any shares or the terms of allotment thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the

dividend is paid) be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

117. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such period as they think fit. If the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

118. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any

shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

119. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

120. The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently due and payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

121. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liability or engagements in respect of which the lien exists.

122. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

123. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

124. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post

to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to anyone of such persons), or to such person and such address as such member or person or persons may be writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn 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.

125. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or properly distributable on or in respect of the share.

126. Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution director payment or satisfaction of the dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures or any other company, and the board shall

given effect to the direction, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any specific assets to be distributed and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to secure equality of distribution and may vest any specific assets to be distributed in trustees as may seem expedient to the board.

RESERVES

127. The Directors may before recommending any dividend whether preferential or otherwise set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide any such 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. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to distribute.

CAPITALISATION OF PROFITS AND RESERVES

128. (A) The Company may upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not required for the payment or provision of any fixed cumulative preferential dividend; and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any Share Premium account and any Capital Redemption Reserve Fund) or (B) standing to the credit of profit and loss account or otherwise available for distribution, be capitalised, and accordingly that the Directors be authorised and directed to appropriate such sum to the Ordinary Shareholders in the proportions in which sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportions aforesaid or partly in one way and partly in the other: Provided that Share Premium account and Capital Redemption Reserve Fund may only be applied

hereunder in the paying up of unissued shares to be allotted credited as fully paid.

(B) The Company may likewise upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not so required for the payment or provision of any fixed cumulative preferential dividend and for the time being standing to the credit of any of such funds or accounts of the Company as are specified in paragraph (A) of this Article but which is not available for distribution, be capitalised by applying such sum in paying up in full unissued shares of the Company of a nominal amount equal to such sum, such shares to be allotted and distributed credited as fully paid up shares to and amongst the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares.

129. Whenever such resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit in the case of shares or debentures becoming

distributable in fractions (including provisions whereby the benefits of fractional entitlements accrue to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the Ordinary Shareholders into an agreement with the Company providing for the allotment credited as fully paid up of any shares or debentures 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 sum 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 concerned.

RECORD DATES

130. Notwithstanding any other provisions of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

MINUTES AND BOOKS

131. The Directors shall cause Minutes to be made in books to be provided for the purpose:-

(A) of all appointments of officers made by the Directors;

(B) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

(C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

132. Any such Minutes, if signed by the Chairman of the meeting to which they relate or at which they are read, shall be received as prima facie evidence of the facts therein stated.

133. The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a register of Directors and Secretaries, a register of members, a register of mortgages and charges, and a register of Directors' share and debenture holdings, and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

134. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

135. The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office, or at such other place within Great Britain as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a 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.

136. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

137. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not

entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever a listing on any Stock Exchange for all or any of the shares or debentures of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITOR

138. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

139. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

140. Any notice or document (including a share certificate) may be

served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty four hours after the time when the envelope containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

141. In respect of joint holdings, 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.

142. A person entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as may from time to time properly be required by the Directors and upon supplying an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a

sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

143. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

144. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least two daily newspapers with a national circulation and in that event the notice shall be deemed to have been served on all members and persons entitled by transmission who are entitled to have notice of the meeting served upon them, on the day when the advertisement appears. If at least six clear days prior to the meeting the posting of

notices to addresses throughout the United Kingdom has again become practicable, the Company has sent confirmatory copies of the notice by post to the persons entitled to receive them.

UNTRACED SHAREHOLDERS

145. The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of The Stock Exchange to sell them in accordance with the best practice then obtaining if:-

(i) the shares have been in issue throughout the qualifying period (as defined below) and at least three cash dividends have become payable on the shares during the qualifying period,

(ii) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares at any time during the relevant period,

(iii) so far as any Director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares,

(iv) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the shares shown in the register, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates, and

(v) the Company has given notice to the Quotations Department of The Stock Exchange of its intention to make the sale.

For the purpose of this paragraph of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (iv) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (i) to (v) above have been satisfied.

If, after the publication of either or both of the advertisements referred to in sub-paragraph (iv) above but

before the Company has become entitled to sell the shares pursuant to this paragraph of this article, the requirements of sub-paragraph (ii) or (iii) above cease to be satisfied, the Company may nevertheless sell those shares after the requirements of sub-paragraphs (i) to (v) above have been satisfied afresh in relation to them.

If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub-paragraphs (ii) to (v) above have been satisfied in regard to the further shares, the Company may also sell the further shares.

To give effect to any sale of shares pursuant to this paragraph of this Article the board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net

proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit.

WINDING UP

146. If the Company shall be wound up (whether the liquidation is 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 determine how such division shall be carried out as between the members or different classes of members. 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 or other property in respect of which there is a liability.

INDEMNITY

147. Subject to the provisions of and so far as may be permitted by

the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

THE COMPANIES ACT 1985

15382

COMPANY LIMITED BY SHARES

ORDINARY RESOLUTIONS

and

SPECIAL RESOLUTION

(pursuant to Section 378(2) of the Companies Act 1985)

of

JOHNSTON PRESS plc

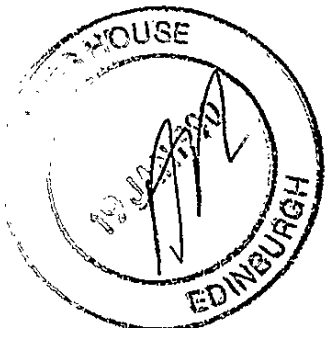
Passed 17th January 1990

At an EXTRAORDINARY GENERAL MEETING of JOHNSTON PRESS PLC duly convened and held at 53 Manor Place, Edinburgh on 17th January 1990 the following Resolutions were passed, Numbers 1 and 3 as Ordinary Resolutions and Number 2 as a Special Resolution of the Company:-

1. THAT the purchase by the Company of the whole of the share capital of Dunn & Wilson Limited on the terms and conditions of the Offers dated 20th December, 1989 be and it is hereby approved;

2. THAT:-

   (A) the authorised ordinary share capital of the Company be and is hereby increased from £4,000,000 to £4,415,000 by the creation of 415,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each having attached thereto the



rights and being subject to the restrictions set out in the Company's Articles of Association as amended in accordance with paragraph (B) below of this Resolution,

(B) the Articles of Association of the Company be and they are hereby amended

(i) by the deletion of Articles 4 and 5 in their entirety and the substitution therefor of the following Articles:-

CAPITAL

4. The authorised share capital of the Company is £4,415,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each ("the Preference Shares") 415,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each ("the "A" Preference Shares") and 32,440,000 Ordinary Shares of 10p each ("the Ordinary Shares")

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

(1) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per

annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates;

(b) second in paying to the holders of the "A" Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates save that the dividend payable to the holders of the "A" Preference Shares on 30th June 1990 will amount pro rata to £9.86 per £100 nominal of "A" Preference Shares;

(c) third in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(2) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto, the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Preference Share shall be deemed to be:-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares as derived from each edition of the Daily Official List published during the six calendar months preceding (in the case of a

winding-up) the date of commencement of winding-up or (in any other case) the date which is seven days prior to the day of posting of the notices convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 13 3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of

the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying to the holders of the "A" Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(c) third but subject to the provisions of Article 116 in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(3) FURTHER ISSUES OF SHARES

(a) The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation in the profits or assets of the company pari passu with the Preference Shares;

(b) The special rights conferred upon the holders of the "A" Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation in the profits or assets of the company prior to or pari passu with the "A" Preference Shares;

(4) VOTING

(a) The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

(b) the "A" Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the "A" Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of "A" Preference Share capital held by him.

(ii) by the insertion at the end of paragraph (b) in Article 104 (2) of "; and"; and the insertion of the following as a new paragraph (c) in Article 104 (2):-

"either the previous consent of the holders of three-fourths of the "A" Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the "A" Preference Shares passed in the manner set out in Article 8 hereof;"

3. THAT:-

(A) the Directors, pursuant to the provisions of Section 80 of the Companies Act 1985 ("the Act") shall have authority generally and unconditionally until 17th January 1995 to exercise the power of the Company to allot relevant securities within the meaning of such Section up to a maximum nominal amount equal to the share capital of the Company authorised but unissued at the date of passing of this Resolution but so that the Company may before the expiry of such authority make an offer or agreement which would or might require relevant securities to be allotted after its expiry.

(B) such authority and any subsequent authority given to the Directors pursuant to such Section may, prior to its expiry, be revoked or from time to time varied by the Company in general meeting and any such authority (whether or not it has been previously renewed) may likewise be

renewed by the Company in general meeting for a further period not exceeding five years. In the event of any such authority allowing the Company to make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the authority, the Directors, notwithstanding the expiry of such authority, may after its expiry allot relevant securities in pursuance of such an offer or agreement.

M.L.A. Chiappelli
Secretary

Registered Office:-

53 Manor Place,
Edinburgh, EH3 7EG.

15382

THE COMPANIES ACTS 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(pursuant to section 378(2) of the Companies Act 1985)

of

JOHNSTON PRESS plc

Passed: 20th April 1990

At an ANNUAL GENERAL MEETING of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh on 20th April 1990 at 11.30a.m. the following RESOLUTION was passed as a Special Resolution:-

SPECIAL RESOLUTION

"That the Directors be and are hereby empowered pursuant to the provisions of Section 95 of the Companies Act, 1985 ('the Act') to allot equity securities (within the meaning of Section 94 of the Act) for cash, as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional

entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £129,965.

This power shall expire unless previously revoked or varied on the date of the Annual General Meeting of the Company held in 1991 save that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired."

M.L.A. CHIAPPELLI
(Secretary)

Registered Office:
53 Manor Place
Edinburgh

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

15382

SPECIAL RESOLUTIONS

(Pursuant to Section 378 (2) of the Companies Act 1985)

of

JOHNSTON PRESS PLC

Passed : 19th April, 1991

At an ANNUAL GENERAL MEETING of JOHNSTON PRESS PLC duly convened and held at 53 Manor Place, Edinburgh, EH3 7EG on 19th April 1991 the following Resolutions were passed as Special Resolutions of the Company:-

R E S O L U T I O N S

1. That the Directors be and are hereby empowered pursuant to the provisions of Section 95 of the Companies Act, 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) for cash, as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:-

COMPANIES HOUSE
23APR1991
EDINBURGH

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £134,915.

This power shall expire unless previously revoked or varied on the date of the Annual General Meeting of the Company held in 1992 save that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

2. That the Company's Memorandum of Association be and is hereby altered by inserting the following additional sub-clause III(s) immediately after sub-clause III(r) and by renumbering the succeeding sub-clauses of Clause III as appropriate:-

"to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors or the Secretary of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company.

3. That the Articles of Association of the Company be and are hereby altered by the insertion of a new Article 148 as follows:-

"Subject to the provisions of the Statutes, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors or the Secretary of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by any such persons in respect of any act or omission in the actual or purported execution and/or discharge of their

duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company."

(M.L.A. Chiappelli)
Secretary.

Registered Office
53 Manor Place,
EDINBURGH, EH3 7EG.

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EDINBURGH

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

MEMORANDUM of ASSOCIATION
(as altered on 19th April, 1991)

of

JOHNSTON PRESS plc

15382

I. The name of the Company is "Johnston Press plc".

I.A The Company is to be a public company.

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

III. The objects for which the Company is established are:-

(a) (1) To acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and other securities of any company, undertaking or public body.

(2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations and other securities by original subscription, tender, purchase, exchange or otherwise, to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

(3) To co-ordinate the administration, management, supervision and control and all activities of any companies or undertakings.

(4) To carry on business as proprietors, printers and publishers of newspapers, journals, magazines, books, periodicals and other literary or journalistic works of any description.

(b) To carry on all or any of the businesses of printers, publishers, bill posters, stationers, lithographers, typefounders, stereotypers, electrotypers, photographers, photographic printers, photo lithographers, chromo-lithographers, engravers, die sinkers, book binders, designers, draughtsmen, paper and ink manufacturers, booksellers, advertising agents, engineers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them connected therewith.

(c) To establish competitions in respect of contributions or information suitable for insertion in any publication of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premiums of such character and on such terms as may seem expedient.

(d) To undertake and transact all kinds of agency business, to

manufacture and to deal in all kinds of articles and things required for the purposes of any such businesses as aforesaid or commonly dealt in by persons engaged in any such business.

(e) To purchase, feu, excamb, lease or acquire any property, heritable or moveable, including lands, buildings, servitudes, leases, rights, concessions, machinery, apparatus, plant, stock in trade of any kind or convenient for the carrying on of the business of the Company, and to erect bill posting stations, hoardings, and to construct, lay down, enlarge, alter and maintain any buildings, works, apparatus and machinery necessary for the business of the Company.

(f) To apply for, register, purchase or otherwise acquire any patents or other rights to inventions, trade names, trade marks, copyrights, licences, concessions or any secret or other information as to any invention or process, matter or thing which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect thereof: or otherwise to sell, dispose or turn to account the property, rights and information so acquired.

(g) To acquire the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or

proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in or enter into any arrangement for sharing profits or for co-operation or for limiting competition, or for mutual assistance, or for union of interests with any such person, firm or company, to give or accept by way of consideration for any of the acts or things aforesaid, or for any property acquired, any shares, debentures, debenture stock or securities which may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

(h) To amalgamate with any person, firm or company whose objects are within the objects of the Company, and that either by sale of the whole business, property and assets of the Company, subject to its liabilities or by purchase of the whole business, property, assets and liabilities of such other company; and that with or without winding up either company, or by sale or purchase of all the shares, stock, or securities of the Company, or any such other company as aforesaid, or by partnership, or by an arrangement of the nature of partnership, or in any other manner.

(i) To establish or promote or concur in establishing or promoting any other company for all or any of the objects mentioned herein, or likely directly or indirectly to assist or benefit the Company, or to enhance the value of any property or rights of the Company, and to transfer to any such company any property, assets, or rights of the Company, and to take or otherwise acquire and hold shares, stock, debentures, debenture stock or other securities in or of any such company, and to subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee, or otherwise deal with such shares, stock or securities, and to guarantee or underwrite subscriptions for any shares, stock, or securities of any such company, and to subscribe for the same or any part thereof, and upon a distribution of assets or division of profits, to distribute any such shares, stock, or securities amongst the members of the Company in specie.

(j) To subscribe for, take, purchase or otherwise acquire and hold shares, debentures, debenture stock, or other interest in or securities of any other company having objects altogether or in part similar to those of the Company, or carrying on, or about to carry on, any business capable of being conducted so as directly or indirectly to benefit the Company.

(k) To pay for any business, undertaking, property, or rights, heritable of moveable, or services acquired by or rendered to the Company, either in cash or shares, with or without preferred or deferred rights, in respect of dividend or repayment of capital or otherwise, or by debentures, with or without a charge upon the property, rights and assets of the Company (including uncalled capital) or any part thereof, or partly in one mode and partly in another, and generally on such terms as the Company may determine.

(l) To accept payment for any rights or assets or property sold or otherwise disposed of or dealt with by the Company either in cash, by instalments, or otherwise, or in shares of any company or corporation, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or by means of any security or mortgage of any person, firm, company or corporation; or partly in one mode and partly in another; and generally on such terms as the Directors of the Company may determine.

(m) To invest and deal with the moneys of the Company, not immediately required, upon such securities, including personal security, other than the shares of the Company, and in such manner as may from time to time be determined (and that free from the restrictions imposed by statute upon the investment of trust funds); to receive deposits of money to be employed in the business (or businesses) of the Company.

(n) To sell or otherwise dispose of the whole property, rights, and assets of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular, for cash, shares, stock, debentures, debenture stock, securities, or property or assets of any other company constituted or to be constituted, having or not having objects similar, or in part similar, to those of the Company.

(o) To borrow or raise money by the issue or execution of bonds and dispositions in security, dispositions or assignations "ex facie" absolute or in trust, debentures, mortgages, charges, or other securities of or over all or any part of the assets and property of the Company, heritable and moveable, including its uncalled capital, or by the issue, of or upon bills of exchange, promissory notes, bills of lading, warrants, or other obligations of or in favour of the Company, or by the creation and issue of debenture stock or in such other manner as the Company may resolve.

(p) To grant guarantees for the indebtedness or obligations of any Company, Firm or Person, and to secure the performance thereof by a charge or lien upon the whole or any part of the Company's assets including uncalled Capital or in any other manner or way as the Company shall see fit.

(q) To draw, make, accept, indorse, discount, execute, and issue bills of exchange, bills of lading, promissory

notes, warehouse, dock, and other warrants, and other instruments, so as to be negotiable or transferable by delivery or to order or otherwise.

(r) To insure against fire or other risks any of the Company's property; to join mutual insurance, indemnity, or protection associations; and to insure against claims for compensation to servants, workmen, or other persons, by mutual insurance or otherwise, and to pay the premiums on all such insurances.

(s) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors or the Secretary of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company.

(t) To establish and provide sinking and reserve funds for redemption or payment of obligations and liabilities and shares of the Company.

(u) To remunerate any person, firm, or company rendering services to the Company, either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or by way of a share in the profits of the Company or otherwise.

(v) To give or award pensions, annuities, gratuities, superannuation or other allowances or benefits, to any persons who are or have at any time been Directors of or employed by or in the service of the Company or of any company which is the holding company of, or a subsidiary company of, or allied or associated with, the Company or any such holding company or subsidiary company, and to the wives, widows, children and other relatives and dependants of any such persons; to set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and to make payments towards insurance or other payments (either in connection with any such fund or scheme or otherwise) for the benefit of such persons or any of them or any class of them; to support or subscribe to any charitable funds or institution the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its officers or employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of the Company or its officers or employees; and to subscribe or guarantee money for any exhibition or for any public, general or useful object.

(w) To redeem or pay off the preference and/or the ordinary shares of the Company on such terms as the Company may

determine, and for that purpose to apply part of the profits of the Company in order to form a reserve fund for redeeming or paying off such preference and/or ordinary shares.

(x) To pay all printing, legal and other costs, charges and expenses incidental to or connected with the flotation and incorporation of the Company, and purchase of the assets acquired or to be acquired for the purposes of the Company, and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and to adopt all acts and preliminary arrangements in reference to the same.

(y) To modify from time to time, by special resolution, the conditions contained in this Memorandum so as to increase the share capital of the Company by the issue of new shares of such an amount as may by the Company be thought expedient, or to consolidate or divide the share capital into shares of larger or smaller amount than the amount hereby fixed, or to convert the paid-up shares into stock, or to reduce the share capital to such an extent and in such a manner as may by such resolution be determined but subject to any necessary sanction required by law and the regulations of the Company.

(z) To alter from time to time all or any of the Articles of Association of the Company, so far as such alteration is competent.

(aa) To do all such other things as are incidental or conducive to the attainment of the above subjects.

IV. The liability of the members is limited.

V. The share capital of the Company is £4,415,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each, 415,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each and 32,440,000 Ordinary Shares of 10p each.

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

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
(Sgd.) FRED. JOHNSTON, 125 High Street, Falkirk, Printer and Publisher	One Ordinary Share
(Sgd.) JOHN ARCH. JOHNSTON, Marchmont, Dumfries, Retired Clergyman	One Ordinary Share

Dated the Twenty-fourth day of December, Nineteen hundred and Twenty eight.

Witness to the above Signatures:-

(Sgd.) Margaret Stevenson,
61 High Street,
Falkirk,
Typist.

What is contained in this and the ten preceding pages is a print of the Memorandum of Association as altered by Special Resolution passed on 19th April, 1991.

(M.L.A. Chiappelli)
Director

THE COMPANIES ACT, 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Johnston Press plc
(as altered on 19th April 1991)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule to the Companies Consolidation Act 1908 or as contained or altered in pursuance of any subsequent Act, shall apply to the Company and are hereby expressly excluded.

2. In these Articles (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 them respectively in the second column thereof.

WORDS	MEANINGS
The Act	The Companies Act 1985
The Statutes	The Companies Act 1985 and every other Act for the time being in force concerning companies and affecting the company or any statutory re-enactment or modification thereof for the time being in force, and any reference to any

	section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
These Articles	These Articles of Association or other Articles of Association of the Company from time to time in force.
The Auditor	The auditor for the time being of the Company or, in the case of joint auditors, any one of them.
Office	The registered office of the Company.
Directors	The Directors for the time being of the Company or a meeting of the Directors at which a quorum is present.
Transfer Office	The place where the Register of Members is situate.
Register	The Register of Members required to be kept by the Statutes.
Seal	The Common Seal of the Company or any official seal that the Company may be permitted to have under the Statutes.
The Secretary	The Secretary, or (if there are joint secretaries) any one of the joint secretaries,

	of the Company and including an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the Secretary.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar Month.
Year	Calendar Year.
In writing	Written, or produced by any substitute for writing, or partly one and partly the other.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

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

Words importing the masculine gender only shall include the feminine gender.

The expression "Secretary" shall include any person (whether legal or natural) appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint Secretaries shall include any one of those persons.

Save as aforesaid any word or expression defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meaning in these Articles.

BUSINESS

3. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

CAPITAL

4. The authorised share capital of the Company is £4,415,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each ("the Preference Shares") 415,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each ("the "A" Preference Shares") and 32,440,000 Ordinary Shares of 10p each ("the Ordinary Shares")

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

(1) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates;

(b) second in paying to the holders of the "A" Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates save that the dividend payable to the holders of the "A" Preference Shares on 30th June 1990 will amount pro rata to £9.86 per £100 nominal of "A" Preference Shares;

(c) third in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(2) CAPITAL

On a return of assets on a winding-up or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied:-

(a) first in paying to the holders of the Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto, the greater of 10p and an amount equal to the excess (if any) of the market value of each Preference Share over the nominal amount paid up thereon. For the purposes of this Article, the market value of each Preference Share shall be deemed to be:-

(1) In the event of the Preference Shares having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares as derived from each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up or (in any other case) the date which is

seven days prior to the day of posting of the notices convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 13 3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying to the holders of the "A" Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(c) third but subject to the provisions of Article 116 in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(3) FURTHER ISSUES OF SHARES

(a) The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation

in the profits or assets of the company pari passu with the Preference Shares;

(b) The special rights conferred upon the holders of the "A" Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation in the profits or assets of the company prior to or pari passu with the "A" Preference Shares;

(4) VOTING

(a) The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying

any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

(b) the "A" Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges

attached to such Shares and then only on such Resolution;

and in such cases each holder of the "A" Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of "A" Preference Share capital held by him.

6. Without prejudice to any special rights previously conferred on the holders of any shares or classes of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by Article 8 hereof), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue shares which are, or at the option of the Company or the shareholder are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.

7. Subject to the provisions of these Articles and the Statutes, the shares in the capital of the Company for the time being

unissued shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

VARIATION OF RIGHTS

8. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal value of the issued shares of the class in question (but so that if at any adjourned meeting a quorum as above defined is not present any one holder of shares of the class in question present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may

demand a poll and that every such holder shall on a poll one vote for every share of the class held by him. The foreg provisions of this Article shall apply to the variatio abrogation of the rights attached to some only of the shares any class as if the shares concerned and the remaining share such class formed separate classes. The rights conferred the holders of the shares of any class issued with preferre other rights shall not, unless otherwise expressly provided these Articles or by the terms of issue of the shares of class, be deemed to be varied by the creation or issue further shares ranking pari passu therewith.

ALTERATION OF CAPITAL

9. The Company may from time to time by Ordinary Resolu increase its capital by such sum to be divided into shares such amounts as the resolution shall prescribe. All new sh shall be subject to the provisions of these Articles reference to allotment, payment of calls, lien, trans transmission, forfeiture and otherwise. Subject to provisions of the Statutes and to any rights conferred or holders of any other shares, any share may be issued which i be redeemed at the option of the Company or the holder, on terms and in such manner as may be provided by these Article

10. (A) The Company may by Ordinary Resolution:-

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

(2) 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; and

(3) sub-divide its shares, or any of them, into shares of a 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(B) Where as a result of any consolidation or sub-division of shares any members would become entitled to fractions of a share the Directors may settle the same as they think expedient and in particular may issue fractional certificates or arrange for the sale of the shares

representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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.

11. The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by the Statutes.

12. Subject to the provisions of the Statutes, the Company may purchase all or any of its shares of any class, including any redeemable shares. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of any shares which at the date on which the contract is authorised by the Company in general meeting entitle them, either immediately or at any time later on, to convert all or any of the shares of that class held by them into equity

share capital of the Company. Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied by anything done by the Company pursuant to this paragraph of this Article.

SHARES

13. The Company may exercise the powers of paying commissions conferred by the Statutes. The amount or the rate per cent of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes, and such commission shall not exceed 10 per cent of the price at which the shares in respect of which the commission is paid are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.

14. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or

observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

CERTIFICATES

15. Every certificate for shares or debentures of the Company shall be issued under the Seal or an official seal kept under Section 40 of the Act. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

16. Every person whose name is entered as a member in the Register of Members (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready a certificate) shall be entitled without fee within one month after the date of expiration of any right of renunciation in the case of allotment or within fourteen days of the lodgement of

transfer as the case may be to one certificate for all his shares of any one class or several certificates, each for one or more of his shares of any one class. Provided that the Company shall not be bound to register more than four persons as the joint holders of a share 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 to one of such persons shall be sufficient delivery to all.

17. Where a member (except such a Stock Exchange nominee) transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without fee.

18. If a share certificate shall be damaged, defaced, lost, stolen or destroyed, it may be replaced by a new certificate without charge and on delivery up of the certificate or (if lost, stolen or destroyed) on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request for the new certificate as the Directors think fit.

CALLS ON SHARES

19. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of allotment thereof made payable at fixed

times. 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. The person upon whom a call is made shall remain liable for the call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

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

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. 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 20 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or issue or at any fixed date shall for all the purposes of these Articles be deemed to be a

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

24. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 15 per cent per annum) as the member paying such moneys and the Directors agree upon.

FORFEITURE AND LIEN

26. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter 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.

27. The notice shall name a further day (not being less than days from the date of service of the notice) on or before the place where the payment required by the notice is t made, and shall state that in the event of non-payme accordance therewith the shares on which the call was made be liable to be forfeited.

28. If the requirements of any such notice as aforesaid are complied with, any share in respect of which such notic been given may at any time thereafter before payment of calls and interest and expenses due in respect thereof has made, be forfeited by a resolution of the Directors to effect. Such forfeiture shall include all dividends declar respect of the forfeited share and not actually paid b forfeiture. The Directors may accept a surrender of any liable to be forfeited hereunder.

29. A share so forfeited or surrendered shall become the proper the Company and (subject to the provisions of the Statutes be sold, re-allotted or otherwise disposed of either to person who was before such forfeiture or surrender the h thereof or entitled thereto or to any other person upon terms and in such manner as the Directors shall think fit a any time before a sale, re-allotment or disposition forfeiture or surrender may be cancelled on such terms a Directors think fit. The Directors may, if necessary, auth

some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

30. A member any or all of whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of those shares with interest thereof at 20 per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

31. The Company shall have a first and paramount lien on every share (not being a share fully paid as to its nominal value and as to any premium payable thereon) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on any shares (other than a share fully paid as to its nominal value and as to any premium payable thereon) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that 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 time 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 on a share shall extend to all dividends payable thereon whether or not due and payable. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32. The Company may sell in such manner as the Directors think fit any share 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 due and payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently due and 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 thereto by reason of his death or bankruptcy.

33. 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 debts or liabilities in respect whereof the lien exists so far as the same are presently due and payable and any residue shall (subject to a like lien for debts or liabilities not

presently due and payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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. Such a 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 Share Certificate delivered to a purchaser 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, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing

in any usual or common form or in such other form as the Directors may approve. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

36. Subject to the provisions of Section 358 of the Act, the registration of transfers may be suspended and the Register closed at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares, provided that the Register shall not be closed for more than thirty days in any year.

37. The Directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer of a share (not being a fully paid share) and they may also refuse to register any transfer of shares to joint holders where the number of joint holders to whom the shares are to be transferred exceeds four. The Directors may also decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to

make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

38. If the Directors refuse to register a transfer of any share, 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.

39. All instruments of transfer, when registered may be retained by the Company but the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all other documents on the faith of which entries have been made in the Register of Members and any instructions concerning the payment of dividends or other monies in respect of any share in both cases at any time after the expiration of two years from the date of registration thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and 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 certificate 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 of this Article 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 other circumstances which would not attach to the Company but for the provisions of this Article; and

(iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

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

TRANSMISSION OF SHARES

42. In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or personal representatives 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 interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

43. (A) Subject to the provisions of the preceding Article any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon such evidence being produced as may from time to time properly be required by the Directors either (a) be registered as holder of the share in a representative capacity or (b) be registered himself as holder of the share or (c) transfer such share to some other person. The Directors shall, in any case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

(B) The intimation to the Company, by or on behalf of any person becoming entitled to a share in accordance with sub-paragraph (A) of this Article, of the evidence therein required shall be deemed to be a request by such person to be registered as holder of the share in a representative capacity unless such person shall otherwise elect as aftermentioned, provided always that such registration shall not impose any personal liability upon such person in respect of the share. 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 and if he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles 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 signed by that member.

44. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to

show his title to the share) shall be entitled save as hereinafter provided to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share. Provided that such person shall not be entitled to receive notice of, attend or vote at any general meetings of the Company until he is registered as the holder of such share.

STOCK

45. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock or re-convert any stock into paid-up shares of any denomination.

46. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of the class.

47. 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 prior to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the

shares from which the stock arose) as the Directors may from time to time determine.

48. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in dividends or the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

GENERAL MEETINGS

49. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

50. The Directors may whenever they think fit call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition or, in default, such meeting may be convened by such requisitionists, as provided by the Statutes.

NOTICE OF GENERAL MEETINGS

51. An Annual General Meeting and any General Meeting at which it is

proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty one days' notice in writing and any other General Meeting by at least fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all members other than such as are not, under the provisions of these Articles, entitled to receive such notices from the Company and to the Auditors: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

(A) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and

(B) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him, and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which special business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

53. All business shall be deemed special that is transacted at an Extraordinary Meeting and also all that is transacted at an Annual General Meeting with the exception of the following:-

(A) declaring dividends;

(B) considering the Accounts of the Company, the reports of the Directors and Auditors and other documents required to be annexed to the Accounts;

(C) appointing or re-appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(D) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement (whether by rotation or otherwise) and fixing the remuneration of the Directors in accordance with the provisions of these Articles.

54. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

(A) give to the members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(B) circulate to the members entitled to have notice of any General Meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy and entitled to vote at the meeting shall be a quorum for all purposes.

56. If within fifteen minutes from the time appointed for a General 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 Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman or if at any meeting he shall not be present within five minutes after the time appointed for holding the same, or shall be unwilling to preside, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be Chairman of the meeting.

58. The Chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty 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 either:-

(A) the Chairman of the meeting; or

(B) not less than five members present in person or by proxy and entitled to vote; or

(C) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(D) a member or members present in person or by proxy and 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

60. A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting 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 that fact without proof of the number or proportion

of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

61. 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 the poll is demanded shall be entitled to a casting vote.

62. 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 immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

63. 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

64. Subject to any special rights or restrictions as to voting

attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share of the Company held by him.

65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

66. A member being a minor, pupil or otherwise under any legal disability may vote, whether on a show of hands or on a poll, by his curator, tutor, committee, judicial factor, curator bonis or other legal curator provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

67. No member shall, unless the Directors otherwise determine, be entitled to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company unless all calls or other

sums presently due and payable by him in respect of shares in the Company have been paid.

68. Without prejudice to the provisions of Article 67 no member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or rendered and every vote not disallowed at such meeting shall be valid for all purposes. Any

such objection 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 and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71. A proxy need not be a member of the Company.

72. The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may prescribe or accept and:-

(A) in the case of an individual shall be signed by the appointer or by his attorney; and

(B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

73. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed shall be deposited at the Office (or at such other place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or in the case of a poll, not less than twenty

four hours before the time appointed for the taking of the poll, at which the person named in the instrument proposes to vote and in default shall not be treated as valid. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share.

74. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

75. A vote cast in accordance with the terms of the instrument of proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made

provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

77. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors shall not be less than three nor more than fifteen.

78. A Director shall not be required to hold any shares of the Company to qualify him to act as such Director. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings of the Company.

79. In addition to any salary or other remuneration which may be paid to the Directors or any of them under or pursuant to any other provisions of these Articles the remuneration of the Directors as such shall be such sum as may from time to time be determined by the Company in General Meeting. Such remuneration shall be deemed to accrue from day to day and shall be divisible among the Directors as they may by resolution agree or failing such agreement equally. Notwithstanding the foregoing provisions of this Article the Directors (who are not managing or executive directors) shall be paid such remuneration by way of fees as the Board may determine save that unless the Company in General Meeting may otherwise approve the aggregate of such fees shall not exceed £30,000 per annum.

80. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or which he may otherwise incur in or about the business of the Company.

81. Any Director who is appointed to any executive office or who otherwise performs any special or professional services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

82. The Directors may entrust to and confer upon any Director 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.

DISQUALIFICATION OF DIRECTORS

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

(a) if he ceases to be a Director by virtue of Section 293 of the Act;

(b) if he shall become prohibited by law from acting as a Director;

(c) if by notice in writing to the Company he resigns his office;

(d) if he shall have a receiving order made against him, become bankrupt, execute a trust deed for behoof of his creditors or shall compound with his creditors generally;

(e) if he shall become of unsound mind or otherwise incapax;

(f) if he shall be absent from meetings of the Directors for a continuous period of six months without leave and the Directors shall resolve that his office is vacated;

(g) if he is removed from office as provided in Article 88; or

(h) if he is requested in writing by all the other Directors to resign.

RETIREMENT OF DIRECTORS

84. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

85. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

(A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

(B) where such Director has given notice in writing to the Company that he is unwilling to be re-elected;

(C) where the default is due to the moving of a resolution in contravention of the next following Article.

The retirement shall not have effect until the conclusion of the meeting or any adjournment thereof except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

APPOINTMENT OF DIRECTORS

86. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

87. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election or unless special notice has been given of a resolution to appoint that person as a Director in place of a Director intended to be removed by Ordinary Resolution pursuant to the next following Article, be eligible for appointment as a Director at any

General Meeting unless not less than seven or more than forty two days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) 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 the person to be proposed of his willingness to be elected.

88. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director (including a Director holding any executive office) from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

89. 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 additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

90. (A) A Director may from time to time by writing under his hand appoint any other Director to be his alternate and every such alternate shall be entitled generally to have and exercise all the powers, rights, duties and authorities (except as regards power to appoint an alternate) of the Director appointing him in the absence of such appointer. Any Director acting as an alternate shall have an additional vote for each Director for whom he acts as alternate. A Director may at any time revoke the appointment of his alternate and (subject to such approval as aforesaid) appoint another Director in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon

cease and determine; provided that if any Director retires by rotation but is re-elected by the meeting at which his retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. Any revocation under this Article shall be effected by notice in writing under than hand of the Director making the same and any such notice if left at the office shall be sufficient evidence of such revocation.

(B) Every Director acting as an alternate Director shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. Any such alternate Director shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer, by way of remuneration for his services as a Director, as the appointer may by notice in writing to the Company from time to time direct; but save as aforesaid shall not in respect of such appointment be entitled to receive any remuneration from the Company.

EXECUTIVE DIRECTORS

91. The Directors may from time to time appoint one or more of their number to be the holder of any executive office (including,

where considered appropriate, the office of Managing Director) for such period and upon such terms as they think fit and may vest in any such Director or Directors such of the powers vested in the Directors as they may think fit, except the power to make calls or borrow money, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions and generally upon such terms as to remuneration and otherwise as they may determine and, without prejudice to any existing contract, the Directors may revoke any such appointment. The remuneration of a Director appointed to hold an executive office may be by way of salary, commission, percentage of profits or otherwise as may be arranged.

92. A Director appointed to hold an executive office shall be subject to the same provisions as to retirement, disqualification and removal as the other Directors of the Company and if he cease to hold the office of Director he shall, ipso facto and immediately, cease to hold the executive office to which he has been appointed unless the contract or resolution under which he holds such office shall expressly provide otherwise, but always without prejudice to any claim for damages which he may have for any breach of any contract of service between him and the Company.

PROCEEDINGS OF DIRECTORS

93. 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. In case of an equality of votes the Chairman of the meeting 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. Notice of a board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address of any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting to any Director for the time being absent from the United Kingdom.

94. 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 three.. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

95. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company, (including such a contract with a person connected with him within the meaning of Section 346 of the Act), shall declare the nature of his interest in accordance with the provisions of the Statutes. The expression "contract" for the purposes of this

Article shall be deemed to include any transaction or arrangement, whether or not constituting a contract.

96. (A) Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall be not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(B) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

(i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which himself has assumed responsibility in whole or in part under a guarantee or indemnity or by giving of security;

(iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of (otherwise than as nominee for the Company or any of its subsidiaries) or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

(v) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;

(vi) any proposal concerning the adoption, modification or operation of a share incentive scheme, share option scheme or any other arrangement for the benefit of employees (including full-time executive directors of the Company and any of its subsidiaries) which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such scheme or arrangement relates.

(C) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph (B)(iv) of this Article shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(D) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from

voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. If any question shall arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the board.

(E) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

97. (A) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his

tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(B) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

98. The continuing Directors may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies 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 members may summon a General Meeting for the purpose of appointing Directors.

99. The Directors may from time to time elect one of their number to be Chairman and, if they think fit, one or more of their number to be Deputy-Chairman or Deputy-Chairmen or Vice-Chairman or Vice-Chairmen of the Directors and may determine the periods for which they respectively are to hold office. The Chairman, or in his absence a Deputy-Chairman or a Vice-Chairman, shall preside at meetings of the Directors but if at any meeting neither the Chairman nor a Deputy-Chairman nor a Vice-Chairman is present within five minutes after the time appointed for holding the same the Directors present shall choose one of their number to be Chairman of such meeting.

100. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

101. The Directors may delegate any of their powers, other than the powers to borrow money and make calls, to committees consisting of such two or more members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors.

102. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings 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.

103. All acts done by any meeting of Directors, or of a committee of Directors, or 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 or continuance in office 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.

BORROWING POWERS

104. (1) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow or guarantee the payment of money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(2) 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 its subsidiary companies so as to secure (as regards subsidiary companies so far as by such exercise they can

secure) that the aggregate amount for the time being outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and all its subsidiaries for the time being) exclusive of intra-group borrowings shall not at any time without:-

(a) the previous sanction of an Ordinary Resolution of the Company; and

(b) either the previous consent of the holders of three-fourths of the Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the Preference Shares passed in the manner set out in Article 8 hereof; and

(c) either the previous consent of the holders of three-fourths of the "A" Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the "A" Preference Shares passed in the manner set out in Article 8 hereof;

exceed an amount equal to three times the adjusted total of capital and reserves.

(3) For the purposes of this Article the expression "the adjusted total of capital and reserves" means the aggregate of:-

(a) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and

(b) the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including, without limitation, any share premium account, capital redemption reserve fund, debenture stock sinking fund, property revaluation surplus account and profit and loss account) of the Company and its subsidiaries; and

(c) the amounts standing to the credit of government grants, deferred revenue account or other accounts of a similar nature of the Group;

all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries but:-

(i) adjusted as may be necessary or appropriate to reflect any variations since the date of such balance sheet in interests in subsidiaries or in the amount of the paid up share capital, share premium account, capital redemption reserve fund and property revaluation surplus account of the Company and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten then the amount

(including any premium) of the subscription moneys so underwritten (not being moneys payable later than three months after the date the underwriting becomes unconditional) shall be deemed to have been paid up at the date when the underwriting becomes unconditional;

(ii) excluding any sums attributable to outside interests in subsidiaries;

(iii) deducting any distributions to persons other than a member of the Group (other than dividends paid out of profits earned since the date of such balance sheet) in cash or specie made since that date and to provided for in such balance sheet;

(iv) deducting therefrom the amount of any debit balance on the consolidated profit and loss account of the Company and its subsidiaries;

(v) making such other adjustments (if any) as the Auditors of the Company may consider appropriate.

(4) (a) Any company which it is proposed shall become a subsidiary contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary; and

(b) The expression "moneys borrowed" shall include the following to the extent not otherwise taken into account:-

(i) the nominal amount of any issued share capital (not being equity share capital) of any subsidiary owned otherwise than by a member of the Group;

(ii) the nominal amount of any share capital and the principal amount of any borrowings or debentures, the repayment whereof is guaranteed by a member of the Group;

(iii) the principal amount of all debentures or loan capital issued by any member of the Group; and

(iv) the amount outstanding in respect of acceptances by any member of the Group not being acceptances in relation to the purchase of goods in the ordinary course of business or under acceptance credits granted by any bank or accepting house on behalf of any member of the Group;

but shall not include:-

(i) amounts borrowed for the purpose of repaying moneys borrowed by any member of the Group and for the time being outstanding provided they are so applied within six months of being borrowed;

(ii) the proportion of moneys borrowed by any partly owned subsidiary which is equivalent to the proportion of its equity share capital not attributable to the Company.

(5) The Certificate of the Auditors for the time being of the Company as to the amount of the adjusted capital and reserves and the amount of any moneys borrowed at any time shall be conclusive and binding on all concerned.

(6) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the said limits are observed and no debt incurred or security given in excess of such limits shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limits had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

105. 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 Articles required to be exercised by the Company in General Meeting, subject nevertheless to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special

Resolution of the Company, but no regulation so made by the Company 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.

106. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any Local Boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

107. The Directors may from time to time and at any time by power of attorney or otherwise 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 with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) 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 them.

108. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

109. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a dominion register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

110. 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, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

111. Without restricting the generality of the foregoing powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been executive Directors of or employed by or in the service of or (with the approval of an Ordinary Resolution of the Company) non-executive Directors of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

SECRETARY

112. Subject to the provisions of the Statutes and to the duty of the Directors thereunder in relation to the qualifications of any person so appointed, the Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for

damages for breach of any contract of service between him and the Company.

113. Any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

SEALS

114. The Directors shall provide for the safe custody of the Seal, and any official Seal kept under Section 40 of the Act and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificate for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

AUTHENTICATION OF DOCUMENTS

115. 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 and any resolutions passed by the Company or the Directors or any

committee of the Directors, 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 Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such document or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

116. Subject to the provisions of the Statutes the Company may by Ordinary Resolution declare dividends but no dividend or interim dividend shall be payable except out of the profits of the Company available for the purpose, or in excess of the amount recommended by the Directors; unless and to the extent that the rights attached to any shares or the terms of allotment thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the

dividend is paid) be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

117. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such period as they think fit. If the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

118. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any

shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

119. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

120. The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently due and payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

121. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liability or engagements in respect of which the lien exists.

122. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

123. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

124. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post

to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to anyone of such persons), or to such person and such address as such member or person or persons may be writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn 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.

125. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or properly distributable on or in respect of the share.

126. Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution director payment or satisfaction of the dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures or any of company, and the board shall

given effect to the direction, and where any difficulty arise in regard to the distribution the board may settle it as thinks expedient, and in particular may issue fractiona certificates or authorise any person to sell and transfer a fractions or may ignore fractions altogether, and may fix th value for distribution purposes of any specific assets to distributed and may determine that cash payments shall be mad to any members upon the footing of the value so fixed in orde to secure equality of distribution and may vest any specif assets to be distributed in trustees as may seem expedient the board.

RESERVES

127. The Directors may before recommending any dividend whethe preferential or otherwise set aside out of the profits of th Company and carry to reserve such sums as they think prope which, at the discretion of the Directors, shall be applicabl for any purpose to which the profits of the Company may properl be applied and pending such application may either be employe in the business of the Company or be invested. The Directors ma divide any such reserve into such special funds as they thin fit and may consolidate into one fund any special funds or a parts of any special funds into which the reserve may have bee divided. The Directors may also without placing the same reserve carry forward any profits which they may think it no prudent to distribute.

CAPITALISATION OF PROFITS AND RESERVES

128. (A) The Company may upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not required for the payment or provision of any fixed cumulative preferential dividend; and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any Share Premium account and any Capital Redemption Reserve Fund) or (B) standing to the credit of profit and loss account or otherwise available for distribution, be capitalised, and accordingly that the Directors be authorised and directed to appropriate such sum to the Ordinary Shareholders in the proportions in which sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportions aforesaid or partly in one way and partly in the other: Provided that Share Premium account and Capital Redemption Reserve Fund may only be applied

hereunder in the paying up of unissued shares to be allotted credited as fully paid.

(B) The Company may likewise upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not so required for the payment or provision of any fixed cumulative preferential dividend and for the time being standing to the credit of any of such funds or accounts of the Company as are specified in paragraph (A) of this Article but which is not available for distribution, be capitalised by applying such sum in paying up in full unissued shares of the Company of a nominal amount equal to such sum, such shares to be allotted and distributed credited as fully paid up shares to and amongst the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares.

129. Whenever such resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit in the case of shares or debentures becoming

distributable in fractions (including provisions whereby the benefits of fractional entitlements accrue to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the Ordinary Shareholders into an agreement with the Company providing for the allotment credited as fully paid up of any shares or debentures 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 sum 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 concerned.

RECORD DATES

130. Notwithstanding any other provisions of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

MINUTES AND BOOKS

131. The Directors shall cause Minutes to be made in books to be provided for the purpose:-

(A) of all appointments of officers made by the Directors;

(B) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

(C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

132. Any such Minutes, if signed by the Chairman of the meeting to which they relate or at which they are read, shall be received as prima facie evidence of the facts therein stated.

133. The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a register of Directors and Secretaries, a register of members, a register of mortgages and charges, and a register of Directors' share and debenture holdings, and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

134. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

135. The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office, or at such other place within Great Britain as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a 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.

136. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

137. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not

entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever a listing on any Stock Exchange for all or any of the shares or debentures of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITOR

138. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

139. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

140. Any notice or document (including a share certificate) may be

served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty four hours after the time when the envelope containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

141. In respect of joint holdings, 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.

142. A person entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as may from time to time properly be required by the Directors and upon supplying an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a

sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

143. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

144. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least two daily newspapers with a national circulation and in that event the notice shall be deemed to have been served on all members and persons entitled by transmission who are entitled to have notice of the meeting served upon them, on the day when the advertisement appears. If at least six clear days prior to the meeting the posting of

notices to addresses throughout the United Kingdom has again become practicable, the Company has sent confirmatory copies of the notice by post to the persons entitled to receive them.

UNTRACED SHAREHOLDERS

145. The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of The Stock Exchange to sell them in accordance with the best practice then obtaining if:-

(i) the shares have been in issue throughout the qualifying period (as defined below) and at least three cash dividends have become payable on the shares during the qualifying period,

(ii) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares at any time during the relevant period,

(iii) so far as any Director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares,

(iv) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the shares shown in the register, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates, and

(v) the Company has given notice to the Quotations Department of The Stock Exchange of its intention to make the sale.

For the purpose of this paragraph of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (iv) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (i) to (v) above have been satisfied.

If, after the publication of either or both of the advertisements referred to in sub-paragraph (iv) above but

before the Company has become entitled to sell the shares pursuant to this paragraph of this article, the requirements of sub-paragraph (ii) or (iii) above cease to be satisfied, the Company may nevertheless sell those shares after the requirements of sub-paragraphs (i) to (v) above have been satisfied afresh in relation to them.

If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub-paragraphs (ii) to (v) above have been satisfied in regard to the further shares, the Company may also sell the further shares.

To give effect to any sale of shares pursuant to this paragraph of this Article the board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net

proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit.

WINDING UP

146. If the Company shall be wound up (whether the liquidation is 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 determine how such division shall be carried out as between the members or different classes of members. 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 or other property in respect of which there is a liability.

INDEMNITY

147. Subject to the provisions of and so far as may be permitted by

the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

148. Subject to the provisions of the Statutes, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors or the Secretary of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company.

Comp No 15382

ALEXANDER SLOAN & CO.
INCORPORATING CRASTON THOMSON & ALLISON, C.A.

Chartered Accountants

JOHN WILLOUGHBY
A. DAVID R. PALMER
ROBERT LINTON
IAIN A. T. MOWAT
ANDREW M. McBEAN

142 ST. VINCENT STREET
GLASGOW G2 5LB
TELEPHONE: 041-248 6976
FAX: 041-221 7904

RL/EH

17th April 1991

The Directors,
Johnston Press plc,
53 Manor Place,
EDINBURGH
EH3 7EG

Dear Sirs,

Johnston Press plc

As requested, we hereby resign as auditors of the above company as of Friday 19th April 1991.

We confirm that there are no circumstances connected with our resignation which we consider should be brought to the notice of the members or creditors of the company in terms of Section 394 Companies Act 1985.

Yours faithfully,

Alexander Sloan & Co

Authorised by the Institute of Chartered Accountants of Scotland to carry on investment business.
Offices in London and Aberdeen. Members of GMN International Group.

COMPANIES HOUSE
1991
EDINBURGH

ERNST & YOUNG

Chartered Accountants
17 Abercromby Place
Edinburgh EH3 6LT

Phone: 031-556 8641
Telex: 72176
Fax: 031 556 5156

SC153822

April 17, 1991
Our ref GCC/EMcC

M L A Chiappelli Esq
Secretary
Johnston Press plc
53 Manor Place
EDINBURGH
EH3 7EG

Dear Sir

In accordance with Section 392 of the Companies Act 1985, we write to notify you of our formal resignation as auditors of the undernoted companies. This resignation takes effect from the time at which you receive this letter.

In accordance with Section 394(1) of the Companies Act 1985, we confirm that there are no circumstances connected with our resignation which we consider should be brought to the notice of members or creditors of the companies.

Yours faithfully

Ernst & Young

COMPANIES HOUSE
-7 MAY 1991
EDINBURGH

Companies referred to:-

	Company No.
Dunn & Wilson Limited	14284
Dunn & Wilson (International) Limited	47401
Riley Dunn & Wilson Limited	43441
The Morley Book Company Limited	24504
RDG Limited	571214
RDG 2 Limited	741369
Cedric Chivers Limited	80922

COMPANIES
26 APR

Also at 39 Melville Street, Edinburgh, EH3 7JL
Phone: 031-226 4621
A list of partners' names is available for inspection at the above address.
Authorised by The Institute of Chartered Accountants in England and Wales to carry on investment business.

"G" Doc.

SC153782

ERNST & YOUNG

Chartered Accountants
17 Abercromby Place
Edinburgh EH3 6LT

Phone: 031-556 8641
Telex: 72176
Fax: 031 556 5156

April 17, 1991
Our ref GCC/EMcC

M L A Chiappelli Esq
Secretary
Johnston Press plc
53 Manor Place
EDINBURGH
EH3 7EG

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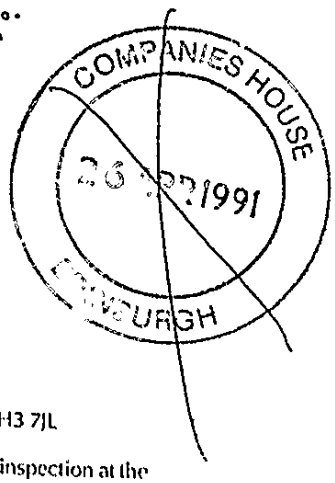

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15382

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS
(pursuant to section 9 of the Companies Act 1985)

of

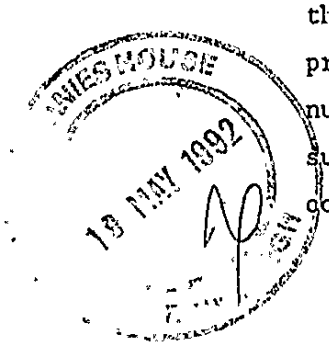
JOHNSTON PRESS PLC

At the Annual General Meeting of Johnston Press plc duly convened and held at 53 Manor Place, Edinburgh on 24th April 1992 the following Resolutions were passed as SPECIAL RESOLUTIONS:-

RESOLUTIONS

"1. That the Directors be and are hereby empowered pursuant to the provisions of Section 95 of the Companies Act, 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) for cash, as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional



entitlements or legal or practical problems under the law of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £134,915.

This power shall expire unless previously revoked or varied on the date of the Annual General Meeting of the Company held in 1993 save that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired."

"2. That the Articles of Association of the Company be and are hereby altered by the addition, immediately after Article 145 thereof, of the following new Article to be numbered "146":-

DESTRUCTION OF DOCUMENTS

(1) The Company may destroy:-

(a) any instrument of transfer, after six years from the date on which it is registered;

(b) any dividend mandate or notification of change of name or address, after two years from the date on which it is recorded;

(c) any share certificate which has been cancelled after one year from the date of cancellation thereof;

(d) any other document upon which an entry is made in the Register, after 6 years from the date the entry was made in the Register;

and references in this Article to the destruction of any

document include references to the disposal of it in any manner.

(2) It shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and evey instrument of transfer so destroyed was a valid and effective instrument duly and property registered and every share certificate so destroyed was a valid and effective certificate 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 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.

(3) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any document earlier than any of the above periods or in any other circumstances which would not attach to the Company in the absence of this Article.

and that Articles 146 to 148 inclusive be and are hereby renumbered as 147 to 149 inclusive."

Secretary

4/15/92

THE COMPANIES ACT, 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Johnston Press plc (as altered on 24th April 1992)

PRELIMINARY

1. None of the Regulations contained in Table A in the First Schedule to the Companies Consolidation Act 1908 or as contained or altered in pursuance of any subsequent Act, shall apply to the Company and are hereby expressly excluded.

2. In these Articles (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 them respectively in the second column thereof.

WORDS	MEANINGS
The Act	The Companies Act 1985
The Statutes	The Companies Act 1985 and every other Act for the time being in force concerning companies and affecting the company or any statutory re-enactment or modification thereof for the time being in force, and any reference to any

	section or provision of the Statutes shall be deemed to include a reference to any statutory re-enactment or modification thereof for the time being in force.
These Articles	These Articles of Association or other Articles of Association of the Company from time to time in force.
The Auditor	The auditor for the time being of the Company or, in the case of joint auditors, any one of them.
Office	The registered office of the Company.
Directors	The Directors for the time being of the Company or a meeting of the Directors at which a quorum is present.
Transfer Office	The place where the Register of Members is situate.
Register	The Register of Members required to be kept by the Statutes.
Seal	The Common Seal of the Company or any official seal that the Company may be permitted to have under the Statutes.
The Secretary	The Secretary, or (if there are joint secretaries) any one of the joint secretaries,

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	of the Company and including an assistant or deputy secretary and any person appointed by the board to perform any of the duties of the Secretary.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar Month.
Year	Calendar Year.
In writing	Written, or produced by any substitute for writing, or partly one and partly the other.
Dividend	Dividend and/or bonus.
Paid	Paid or credited as paid.

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

Words importing the masculine gender only shall include the feminine gender.

The expression "Secretary" shall include any person (whether legal or natural) appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as joint Secretaries shall include any one of those persons.

Save as aforesaid any word or expression defined in the Statutes shall (if not inconsistent with the subject or context) bear the same meaning in these Articles.

BUSINESS

3. Any branch or kind of business which by the Memorandum of Association of the Company, or these Articles, is either expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time as they shall 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 such branch or kind of business.

CAPITAL

4. The authorised share capital of the Company is £4,415,000 divided into 756,000 13 3/4 per cent Cumulative Preference Shares of £1 each ("the Preference Shares") 4'5,000 13 3/4 per cent "A" Cumulative Preference Shares of £1 each ("the "A" Preference Shares") and 32,440,000 Ordinary Shares of 10p each ("the Ordinary Shares")

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

(1) INCOME

The profits which the Company shall determine to distribute in respect of any financial year shall be applied:-

(a) first in paying to the holders of the Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates;

(b) second in paying to the holders of the "A" Preference Shares a fixed cumulative preferential dividend (deemed to accrue from day to day) at the rate of 13 3/4 per cent per annum on the amount paid up thereon for the time being, such dividend to be payable half-yearly in arrears on 30th June and 31st December respectively in respect of the half-years ending on those dates save that the dividend payable to the holders of the "A" Preference Shares on 30th June 1990 will amount pro rata to £9.86 per £100 nominal of "A" Preference Shares;

(c) third in distributing the balance of such profits amongst the holders of the Ordinary Shares.

Every dividend shall be distributed to the holders of Shares entitled thereto pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively.

(2) CAPITAL

On a return of assets on a winding-up or otherwise, th assets of the Company remaining after the payment of it liabilities shall be applied:-

(a) first in paying to the holders of the Preferenc Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto, the greater of 10p and a amount equal to the excess (if any) of th market value of each Preference Share over th nominal amount paid up thereon. For th purposes of this Article, the market value o each Preference Share shall be deemed to be:-

(1) In the event of the Preference Share having been admitted by the Council of The Stock Exchange to the Official List, a price equal to the mean average middle-market quotation for the Preference Shares as derived from each edition of the Daily Official List published during the six calendar months preceding (in the case of a winding-up) the date of commencement of winding-up or (in any other case) the date which is

seven days prior to the day of posting of the notices convening the Extraordinary General Meeting at which is passed a Resolution for such return of capital but in either case after deduction from such mean price on each day of a sum equal to any arrears or accruals of dividend (whether earned or declared or not) down to that day; and

(2) in the event of the Preference Shares not having been so admitted to the Official List, a price which bears to the nominal amount paid up on each such Share the same proportion as the said fixed preferential dividend of 13 3/4 per cent (grossed up to take account of the associated tax credit) bears to 120 per cent of the average yield of commercial and industrial preference shares as published in the Financial Times - Actuaries Commercial and Industrial Preference Share Index over such corresponding period of six months as is referred to in sub-paragraph (1) above;

(iii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(b) second in paying to the holders of the "A" Preference Shares:-

(i) the amount paid up on such Shares;

(ii) subject thereto a sum equal to any arrears, deficiency or accruals of the dividend thereon calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

(c) third but subject to the provisions of Article 116 in paying the balance remaining to the holders of the Ordinary Shares pro rata to the amounts respectively paid up thereon.

(3) FURTHER ISSUES OF SHARES

(a) The special rights conferred upon the holders of the Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation

in the profits or assets of the company pari passu with the Preference Shares;

(b) The special rights conferred upon the holders of the "A" Preference Shares shall be deemed to be varied or abrogated by the creation or issue of further preference shares ranking as regards participation in the profits or assets of the company prior to or pari passu with the "A" Preference Shares;

(4) VOTING

(a) The Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying

any of the special rights or privileges attached to such Shares and then only on such Resolution;

and in such cases each holder of the Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of Preference Share capital held by him.

(b) the "A" Preference Shares shall entitle the holders to receive the Annual Report and Accounts of the Company and notice of any General Meeting but not to attend or vote thereat unless either:-

(a) at the date of the notice convening the Meeting the dividend on such Shares is in arrear, and so that for this purpose the dividend shall be deemed to be payable half-yearly on the dates mentioned in Paragraph (1) (a) of this Article in respect of the periods mentioned in that Paragraph; or

(b) the business of the Meeting includes the consideration of a Resolution for the winding up of the Company or reducing its capital or any Resolution directly abrogating or varying any of the special rights or privileges

attached to such Shares and then only on such Resolution;

and in such cases each holder of the "A" Preference Shares present in person shall on a show of hands have one vote and shall, on a poll, have one vote for every £1 nominal of "A" Preference Share capital held by him.

6. Without prejudice to any special rights previously conferred on the holders of any shares or classes of shares for the time being issued (which special rights may be varied or abrogated only in the manner provided by Article 8 hereof), any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, failing any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue shares which are, or at the option of the Company or the shareholder are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.

7. Subject to the provisions of these Articles and the Statutes, the shares in the capital of the Company for the time being

unissued shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Directors may determine.

VARIATION OF RIGHTS

8. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal value of the issued shares of the class in question (but so that if at any adjourned meeting a quorum as above defined is not present any one holder of shares of the class in question present in person or by proxy shall be a quorum) and that any holder of shares of the class present in person or by proxy may

demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the rights attached to some only of the shares of any class as if the shares concerned and the remaining shares of such class formed separate classes. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

ALTERATION OF CAPITAL

9. The Company 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. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, any share may be issued which is to be redeemed at the option of the Company or the holder, on such terms and in such manner as may be provided by these Articles.

10. (A) The Company may by Ordinary Resolution:-

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

(2) 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; and

(3) sub-divide its shares, or any of them, into shares of a 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, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares.

(B) Where as a result of any consolidation or sub-division of shares any members would become entitled to fractions of a share the Directors may settle the same as they think expedient and in particular may issue fractional certificates or arrange for the sale of the shares

representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who 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.

11. The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by the Statutes.

12. Subject to the provisions of the Statutes, the Company may purchase all or any of its shares of any class, including any redeemable shares. Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, shares in the Company shall be authorised by such resolution of the Company as may be required by the Statutes and by an extraordinary resolution passed at a separate general meeting of the holders of any shares which at the date on which the contract is authorised by the Company in general meeting entitle them, either immediately or at any time later on, to convert all or any of the shares of that class held by them into equity

share capital of the Company. Neither the Company nor the board shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of shares shall be deemed not to be varied by anything done by the Company pursuant to this paragraph of this Article.

SHARES

13. The Company may exercise the powers of paying commissions conferred by the Statutes. The amount or the rate per cent of the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Statutes, and such commission shall not exceed 10 per cent of the price at which the shares in respect of which the commission is paid are issued. The Company may also on any issue of shares pay such brokerage as may be lawful.

14. The Company shall not be bound to recognise but shall be entitled to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or

observance of any trust, whether expressed, implied or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof. For the purposes of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in the case of transmission thereof as are mentioned in these Articles.

CERTIFICATES

15. Every certificate for shares or debentures of the Company shall be issued under the Seal or an official seal kept under Section 40 of the Act. The board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificate by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

16. Every person whose name is entered as a member in the Register of Members (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready a certificate) shall be entitled without fee within one month after the date of expiration of any right of renunciation in the case of allotment or within fourteen days of the lodgement of

transfer as the case may be to one certificate for all his shares of any one class or several certificates, each for one or more of his shares of any one class. Provided that the Company shall not be bound to register more than four persons as the joint holders of a share 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 to one of such persons shall be sufficient delivery to all.

17. Where a member (except such a Stock Exchange nominee) transfers part only of the shares comprised in a share certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without fee.

18. If a share certificate shall be damaged, defaced, lost, stolen or destroyed, it may be replaced by a new certificate without charge and on delivery up of the certificate or (if lost, stolen or destroyed) on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request for the new certificate as the Directors think fit.

CALLS ON SHARES

19. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) and not by the terms of allotment thereof made payable at fixed

times. 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. The person upon whom a call is made shall remain liable for the call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

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

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. 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 20 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

23. Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment or issue or at any fixed date shall for all the purposes of these Articles be deemed to be a

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

24. The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

25. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 15 per cent per annum) as the member paying such moneys and the Directors agree upon.

FORFEITURE AND LIEN

26. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter 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.

27. The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.

28. 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 share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

29. A share so forfeited or surrendered shall become the property of the Company and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender 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, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise

some person to transfer a forfeited or surrendered share to any such other person as aforesaid.

30. A member any or all of whose shares have been forfeited or surrendered shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of those shares with interest thereof at 20 per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment but the Directors may waive payment of such interest either wholly or in part and the Directors may enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

31. The Company shall have a first and paramount lien on every share (not being a share fully paid as to its nominal value and as to any premium payable thereon) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and the Company shall also have a first and paramount lien on any shares (other than a share fully paid as to its nominal value and as to any premium payable thereon) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and that 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 time 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 on a share shall extend to all dividends payable thereon whether or not due and payable. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32. The Company may sell in such manner as the Directors think fit any share 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 due and payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently due and 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 thereto by reason of his death or bankruptcy.

33. 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 debts or liabilities in respect whereof the lien exists so far as the same are presently due and payable and any residue shall (subject to a like lien for debts or liabilities not

presently due and payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

34. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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. Such a 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 Share Certificate delivered to a purchaser 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, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing

in any usual or common form or in such other form as the Directors may approve. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

36. Subject to the provisions of Section 358 of the Act, the registration of transfers may be suspended and the Register closed at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares, provided that the Register shall not be closed for more than thirty days in any year.

37. The Directors may in their absolute discretion and without assigning any reason therefor decline to register the transfer of a share (not being a fully paid share) and they may also refuse to register any transfer of shares to joint holders where the number of joint holders to whom the shares are to be transferred exceeds four. The Directors may also decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is deposited at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to

make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

38. If the Directors refuse to register a transfer of any share, 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.

39. All instruments of transfer, when registered may be retained by the Company but the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all other documents on the faith of which entries have been made in the Register of Members and any instructions concerning the payment of dividends or other monies in respect of any share.in.both cases at any time after the expiration of two years from the date of registration thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and 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 certificate 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 of this Article 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 other circumstances which would not attach to the Company but for the provisions of this Article; and

(iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares.

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

TRANSMISSION OF SHARES

42. In case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or personal representatives 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 interest in the shares, but nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

43. (A) Subject to the provisions of the preceding Article any person becoming entitled to a share in consequence of the death or bankruptcy of a member may (subject as hereinafter provided) upon such evidence being produced as may from time to time properly be required by the Directors either (a) be registered as holder of the share in a representative capacity or (b) be registered himself as holder of the share or (c) transfer such share to some other person. The Directors shall, in any case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

(B) The intimation to the Company, by or on behalf of any person becoming entitled to a share in accordance with sub-paragraph (A) of this Article, of the evidence therein required shall be deemed to be a request by such person to be registered as holder of the share in a representative capacity unless such person shall otherwise elect as aftermentioned, provided always that such registration shall not impose any personal liability upon such person in respect of the share. 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 and if he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles 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 signed by that member.

44. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member (upon supplying to the Company such evidence as the Directors may reasonably require to

show his title to the share) shall be entitled save as hereinafter provided to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share. Provided that such person shall not be entitled to receive notice of, attend or vote at any general meetings of the Company until he is registered as the holder of such share.

STOCK

45. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock or re-convert any stock into paid-up shares of any denomination.

46. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued shall stand converted into stock such further shares upon being fully paid shall ipso facto be converted into stock transferable in the same units as the existing stock of the class.

47. 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 prior to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the

shares from which the stock arose) as the Directors may from time to time determine.

48. The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in dividends or the assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.

GENERAL MEETINGS

49. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

50. The Directors may whenever they think fit call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition or, in default, such meeting may be convened by such requisitionists, as provided by the Statutes.

NOTICE OF GENERAL MEETINGS

51. An Annual General Meeting and any General Meeting at which it is

proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty one days' notice in writing and any other General Meeting by at least fourteen days' notice in writing (exclusive in either case of the day on which it is served or deemed to be served and of the day for which it is given) given in manner hereinafter mentioned to all members other than such as are not, under the provisions of these Articles, entitled to receive such notices from the Company and to the Auditors: Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

(A) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and

(B) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent in nominal value of the shares giving that right.

Provided also that the accidental omission to give notice to, or the non-receipt of notice by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him, and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which special business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

53. All business shall be deemed special that is transacted at an Extraordinary Meeting and also all that is transacted at an Annual General Meeting with the exception of the following:-

(A) declaring dividends;

(B) considering the Accounts of the Company, the reports of the Directors and Auditors and other documents required to be annexed to the Accounts;

(C) appointing or re-appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(D) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement (whether by rotation or otherwise) and fixing the remuneration of the Directors in accordance with the provisions of these Articles.

54. The Directors shall on the requisition of members in accordance with the provisions of the Statutes, but subject as therein provided:-

(A) give to the members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(B) circulate to the members entitled to have notice of any General Meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two members present in person or by proxy and entitled to vote at the meeting shall be a quorum for all purposes.

56. If within fifteen minutes from the time appointed for a General 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 Directors shall preside as Chairman at every General Meeting, but if there be no such Chairman or if at any meeting he shall not be present within five minutes after the time appointed for holding the same, or shall be unwilling to preside, the Directors present shall choose one of their number or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number to be Chairman of the meeting.

58. The Chairman of the meeting may with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty 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 either:-

(A) the Chairman of the meeting; or

(B) not less than five members present in person or by proxy and entitled to vote; or

(C) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(D) a member or members present in person or by proxy and 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

60. A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting 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 that fact without proof of the number or proportion

of the votes recorded for or against such resolution. If a poll is duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman of the meeting may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

61. 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 the poll is demanded shall be entitled to a casting vote.

62. 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 immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.

63. 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

64. Subject to any special rights or restrictions as to voting

attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person and entitled to vote shall have one vote and on a poll every member who is present in person or by proxy and entitled to vote shall have one vote for every share of the Company held by him.

65. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

66. A member being a minor, pupil or otherwise under any legal disability may vote, whether on a show of hands or on a poll, by his curator, tutor, committee, judicial factor, curator bonis or other legal curator provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Transfer Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is desired to vote.

67. No member shall, unless the Directors otherwise determine, be entitled to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company unless all calls or other

sums presently due and payable by him in respect of shares in the Company have been paid.

68. Without prejudice to the provisions of Article 67 no member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if he or any person appearing to be interested in such shares has been duly served with a notice under Section 212 of the Act and is in default in supplying to the Company the information thereby required within the period of 28 days from the date of such notice. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or rendered and every vote not disallowed at such meeting shall be valid for all purposes. Any

question 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 and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

71. A proxy need not be a member of the Company.

72. The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may prescribe or accept and:-

(A) in the case of an individual shall be signed by the appointer or by his attorney; and

(B) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

73. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed shall be deposited at the Office (or at such other place or one of such places (if any) as may be specified for that purpose in the notice convening the meeting) not less than forty eight hours before the time appointed for the holding of the meeting or adjourned meeting or in the case of a poll, not less than twenty

four hours before the time appointed for the taking of the poll, at which the person named in the instrument proposes to vote and in default shall not be treated as valid. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered in relation to any subsequent meetings to which it relates. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share.

74. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

75. A vote cast in accordance with the terms of the instrument of proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made

provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Transfer Office at least one hour before the commencement of the meeting or adjourned meeting or the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

77. Unless and until otherwise determined by the Company by Ordinary Resolution the number of Directors shall not be less than three nor more than fifteen.

78. A Director shall not be required to hold any shares of the Company to qualify him to act as such Director. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings of the Company.

79. In addition to any salary or other remuneration which may be paid to the Directors or any of them under or pursuant to any other provisions of these Articles the remuneration of the Directors as such shall be such sum as may from time to time be determined by the Company in General Meeting. Such remuneration shall be deemed to accrue from day to day and shall be divisible among the Directors as they may by resolution agree or failing such agreement equally. Notwithstanding the foregoing provisions of this Article the Directors (who are not managing or executive directors) shall be paid such remuneration by way of fees as the Board may determine save that unless the Company in General Meeting may otherwise approve the aggregate of such fees shall not exceed £30,000 per annum.

80. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or which he may otherwise incur in or about the business of the Company.

81. Any Director who is appointed to any executive office or who otherwise performs any special or professional services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director in or about the business of the Company, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

82. The Directors may entrust to and confer upon any Director 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.

DISQUALIFICATION OF DIRECTORS

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

(a) if he ceases to be a Director by virtue of Section 293 of the Act;

(b) if he shall become prohibited by law from acting as a Director;

(c) if by notice in writing to the Company he resigns his office;

(d) if he shall have a receiving order made against him, become bankrupt, execute a trust deed for behoof of his creditors or shall compound with his creditors generally;

(e) if he shall become of unsound mind or otherwise incapax;

(f) if he shall be absent from meetings of the Directors for a continuous period of six months without leave and the Directors shall resolve that his office is vacated;

(g) if he is removed from office as provided in Article 88; or

(h) if he is requested in writing by all the other Directors to resign.

RETIREMENT OF DIRECTORS

84. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

85. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill up the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

(A) where at such meeting it is expressly resolved not to fill up such office or a resolution for the re-election of such Director is put to the meeting and lost;

(B) where such Director has given notice in writing to the Company that he is unwilling to be re-elected;

(C) where the default is due to the moving of a resolution in contravention of the next following Article.

The retirement shall not have effect until the conclusion of the meeting or any adjournment thereof except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected or deemed to have been re-elected will continue in office without break.

APPOINTMENT OF DIRECTORS

86. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

87. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election or unless special notice has been given of a resolution to appoint that person as a Director in place of a Director intended to be removed by Ordinary Resolution pursuant to the next following Article, be eligible for appointment as a Director at any

General Meeting unless not less than seven or more than forty two days before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some member (other than the person to be proposed) 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 the person to be proposed of his willingness to be elected.

88. The Company may in accordance with and subject to the provisions of the Statutes by Ordinary Resolution of which special notice has been given remove any Director (including a Director holding any executive office) from office notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement, and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation 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. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

89. 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 additional Director, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

90. (A) A Director may from time to time by writing under his hand appoint any other Director to be his alternate and every such alternate shall be entitled generally to have and exercise all the powers, rights, duties and authorities (except as regards power to appoint an alternate) of the Director appointing him in the absence of such appointer. Any Director acting as an alternate shall have an additional vote for each Director for whom he acts as alternate. A Director may at any time revoke the appointment of his alternate and (subject to such approval as aforesaid) appoint another Director in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon

cease and determine; provided that if any Director retires by rotation but is re-elected by the meeting at which his retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. Any revocation under this Article shall be effected by notice in writing under than hand of the Director making the same and any such notice if left at the office shall be sufficient evidence of such revocation.

(B) Every Director acting as an alternate Director shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him. Any such alternate Director shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer, by way of remuneration for his services as a Director, as the appointer may by notice in writing to the Company from time to time direct; but save as aforesaid shall not in respect of such appointment be entitled to receive any remuneration from the Company.

EXECUTIVE DIRECTORS

91. The Directors may from time to time appoint one or more of their number to be the holder of any executive office (including,

where considered appropriate, the office of Managing Director) for such period and upon such terms as they think fit and may vest in any such Director or Directors such of the powers vested in the Directors as they may think fit, except the power to make calls or borrow money, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions and generally upon such terms as to remuneration and otherwise as they may determine and, without prejudice to any existing contract, the Directors may revoke any such appointment. The remuneration of a Director appointed to hold an executive office may be by way of salary, commission, percentage of profits or otherwise as may be arranged.

92. A Director appointed to hold an executive office shall be subject to the same provisions as to retirement, disqualification and removal as the other Directors of the Company and if he cease to hold the office of Director he shall, ipso facto and immediately, cease to hold the executive office to which he has been appointed unless the contract or resolution under which he holds such office shall expressly provide otherwise, but always without prejudice to any claim for damages which he may have for any breach of any contract of service between him and the Company.

PROCEEDINGS OF DIRECTORS

93. 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. In case of an equality of votes the Chairman of the meeting 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. Notice of a board meeting shall be deemed to be properly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address of any other address given by him to the Company for this purpose. It shall not be necessary to give notice of a meeting to any Director for the time being absent from the United Kingdom.

94. 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 three.. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

95. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company, (including such a contract with a person connected with him within the meaning of Section 346 of the Act), shall declare the nature of his interest in accordance with the provisions of the Statutes. The expression "contract" for the purposes of this

Article shall be deemed to include any transaction or arrangement, whether or not constituting a contract.

96. (A) Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall be not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(B) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

(i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which himself has assumed responsibility in whole or in part under a guarantee or indemnity or by giving of security;

(iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of (otherwise than as nominee for the Company or any of its subsidiaries) or beneficially interested in 1 per cent or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

(v) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Board of Inland Revenue for taxation purposes;

(vi) any proposal concerning the adoption, modification or operation of a share incentive scheme, share option scheme or any other arrangement for the benefit of employees (including full-time executive directors of the Company and any of its subsidiaries) which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom such scheme or arrangement relates.

(C) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph (B)(iv) of this Article shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(D) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from

voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed. If any question shall arise in respect of the Chairman of the meeting, the question shall be decided by a resolution of the board (for which purpose the Chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chairman (so far as it is known to him) has not been fairly disclosed to the board.

(E) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

97. (A) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his

tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

(B) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; Provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

98. The continuing Directors may act notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies 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 members may summon a General Meeting for the purpose of appointing Directors.

99. The Directors may from time to time elect one of their number to be Chairman and, if they think fit, one or more of their number to be Deputy-Chairman or Deputy-Chairmen or Vice-Chairman or Vice-Chairmen of the Directors and may determine the periods for which they respectively are to hold office. The Chairman, or in his absence a Deputy-Chairman or a Vice-Chairman, shall preside at meetings of the Directors but if at any meeting neither the Chairman nor a Deputy-Chairman nor a Vice-Chairman is present within five minutes after the time appointed for holding the same the Directors present shall choose one of their number to be Chairman of such meeting.

100. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

101. The Directors may delegate any of their powers, other than the powers to borrow money and make calls, to committees consisting of such two or more members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors.

102. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same

are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

103. All acts done by any meeting of Directors, or of a committee of Directors, or 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 or continuance in office 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.

BORROWING POWERS

104. (1) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow or guarantee the payment of money, and to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(2) 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 its subsidiary companies so as to secure (as regards subsidiary companies so far as by such exercise they can

secure) that the aggregate amount for the time being outstanding of all moneys borrowed by the Group (which expression in this Article means and includes the Company and all its subsidiaries for the time being) exclusive of intra-group borrowings shall not at any time without:-

(a) the previous sanction of an Ordinary Resolution of the Company; and

(b) either the previous consent of the holders of three-fourths of the Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the Preference Shares passed in the manner set out in Article 8 hereof; and

(c) either the previous consent of the holders of three-fourths of the "A" Preference Shares then in issue or the previous sanction of an Extraordinary Resolution of the holders of the "A" Preference Shares passed in the manner set out in Article 8 hereof;

exceed an amount equal to three times the adjusted total of capital and reserves.

(3) For the purposes of this Article the expression "the adjusted total of capital and reserves" means the aggregate of:-

(a) the amount for the time being paid up or credited as paid up on the issued share capital of the Company; and

(b) the aggregate amount standing to the credit of the consolidated capital and revenue reserves (including, without limitation, any share premium account, capital redemption reserve fund, debenture stock sinking fund, property revaluation surplus account and profit and loss account) of the Company and its subsidiaries; and

(c) the amounts standing to the credit of government grants, deferred revenue account or other accounts of a similar nature of the Group;

all as shown in the latest audited consolidated balance sheet of the Company and its subsidiaries but:-

(i) adjusted as may be necessary or appropriate to reflect any variations since the date of such balance sheet in interests in subsidiaries or in the amount of the paid up share capital, share premium account, capital redemption reserve fund and property revaluation surplus account of the Company and so that for this purpose if the Company proposes to issue or has issued any shares for cash and the issue has been underwritten then the amount

(including any premium) of the subscription moneys so underwritten (not being moneys payable later than three months after the date the underwriting becomes unconditional) shall be deemed to have been paid up at the date when the underwriting becomes unconditional;

(ii) excluding any sums attributable to outside interests in subsidiaries;

(iii) deducting any distributions to persons other than a member of the Group (other than dividends paid out of profits earned since the date of such balance sheet) in cash or specie made since that date and to provided for in such balance sheet;

(iv) deducting therefrom the amount of any debit balance on the consolidated profit and loss account of the Company and its subsidiaries;

(v) making such other adjustments (if any) as the Auditors of the Company may consider appropriate.

(4) (a) Any company which it is proposed shall become a subsidiary contemporaneously with any relevant transaction shall be treated as if it had already become a subsidiary; and

(b) The expression "moneys borrowed" shall include the following to the extent not otherwise taken into account:-

(i) the nominal amount of any issued share capital (not being equity share capital) of any subsidiary owned otherwise than by a member of the Group;

(ii) the nominal amount of any share capital and the principal amount of any borrowings or debentures, the repayment whereof is guaranteed by a member of the Group;

(iii) the principal amount of all debentures or loan capital issued by any member of the Group; and

(iv) the amount outstanding in respect of acceptances by any member of the Group not being acceptances in relation to the purchase of goods in the ordinary course of business or under acceptance credits granted by any bank or accepting house on behalf of any member of the Group;

but shall not include:-

(i) amounts borrowed for the purpose of repaying moneys borrowed by any member of the Group and for the time being outstanding provided they are so applied within six months of being borrowed;

(ii) the proportion of moneys borrowed by any partly owned subsidiary which is equivalent to the proportion of its equity share capital not attributable to the Company.

(5) The Certificate of the Auditors for the time being of the Company as to the amount of the adjusted capital and reserves and the amount of any moneys borrowed at any time shall be conclusive and binding on all concerned.

(6) No person dealing with the Company or any of its subsidiaries shall by reason of the foregoing provisions be concerned to see or inquire whether the said limits are observed and no debt incurred or security given in excess of such limits shall be invalid or ineffectual unless the lender or the recipient of the security had at the time when the debt was incurred or security given express notice that the said limits had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS

105. 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 Articles required to be exercised by the Company in General Meeting, subject nevertheless to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special

Resolution of the Company, but no regulation so made by the Company 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.

106. The Directors may establish any Local Boards or Agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any Local Boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

107. The Directors may from time to time and at any time by power of attorney or otherwise 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 with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) 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 them.

108. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

109. Subject to and to the extent permitted by the Statutes, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory outside the United Kingdom a dominion register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such register.

110. 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, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

111. Without restricting the generality of the foregoing powers the Directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any persons who are or have at any time been executive Directors of or employed by or in the service of or (with the approval of an Ordinary Resolution of the Company) non-executive Directors of the Company or of any company which is a subsidiary company of or allied or associated with the Company or any such subsidiary and to the wives, widows, children and other relatives and dependants of any such persons and may set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such fund or scheme or otherwise).

SECRETARY

112. Subject to the provisions of the Statutes and to the duty of the Directors thereunder in relation to the qualifications of any person so appointed, the Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for

damages for breach of any contract of service between him and the Company.

113. Any provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

SEALS

114. The Directors shall provide for the safe custody of the Seal, and any official Seal kept under Section 40 of the Act and neither shall be used without the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf. Every instrument to which either Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificate for shares or debentures or other securities of the Company the Directors may by resolution determine that such signature or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

AUTHENTICATION OF DOCUMENTS

115. 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 and any resolutions passed by the Company or the Directors or any

committee of the Directors, 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 Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such document or extract is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

116. Subject to the provisions of the Statutes the Company may by Ordinary Resolution declare dividends but no dividend or interim dividend shall be payable except out of the profits of the Company available for the purpose, or in excess of the amount recommended by the Directors; unless and to the extent that the rights attached to any shares or the terms of allotment thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the

dividend is paid) be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.

117. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on shares of any class of such amounts and on such dates and in respect of such period as they think fit. If the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

118. Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors, in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any

shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

119. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

120. The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently due and payable by him to the Company on account of calls or otherwise in relation to shares of the Company.

121. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liability or engagements in respect of which the lien exists.

122. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

123. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

124. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post

to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to anyone of such persons), or to such person and such address as such member or person or persons may be writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn 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.

125. If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or properly distributable on or in respect of the share.

126. Any general meeting declaring a dividend may, upon the recommendation of the board, by ordinary resolution director payment or satisfaction of the dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures or any other company, and the board shall

given effect to the direction, and where any difficulty arises in regard to the distribution the board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any specific assets to be distributed and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to secure equality of distribution and may vest any specific assets to be distributed in trustees as may seem expedient to the board.

RESERVES

127. The Directors may before recommending any dividend whether preferential or otherwise set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide any such 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. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to distribute.

CAPITALISATION OF PROFITS AND RESERVES

128. (A) The Company may upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not required for the payment or provision of any fixed cumulative preferential dividend; and (A) for the time being standing to the credit of any reserve fund or reserve account of the Company (including any Share Premium account and any Capital Redemption Reserve Fund) or (B) standing to the credit of profit and loss account or otherwise available for distribution, be capitalised, and accordingly that the Directors be authorised and directed to appropriate such sum to the Ordinary Shareholders in the proportions in which sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, such shares or debentures to be allotted and distributed credited as fully paid up to and amongst them in the proportions aforesaid or partly in one way and partly in the other: Provided that Share Premium account and Capital Redemption Reserve Fund may only be applied

hereunder in the paying up of unissued shares to be allotted credited as fully paid.

(B) The Company may likewise upon the recommendation of the Directors by Ordinary Resolution resolve that any sum not so required for the payment or provision of any fixed cumulative preferential dividend and for the time being standing to the credit of any of such funds or accounts of the Company as are specified in paragraph (A) of this Article but which is not available for distribution, be capitalised by applying such sum in paying up in full unissued shares of the Company of a nominal amount equal to such sum, such shares to be allotted and distributed credited as fully paid up shares to and amongst the Ordinary Shareholders in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the Ordinary Shares.

129. Whenever such resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions as they think fit in the case of shares or debentures becoming

distributable in fractions (including provisions whereby the benefits of fractional entitlements accrue to the Company rather than to the members concerned) and also to authorise any person to enter on behalf of all the Ordinary Shareholders into an agreement with the Company providing for the allotment credited as fully paid up of any shares or debentures 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 sum 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 concerned.

RECORD DATES

130. Notwithstanding any other provisions of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

MINUTES AND BOOKS

131. The Directors shall cause Minutes to be made in books to be provided for the purpose:-

(A) of all appointments of officers made by the Directors;

(B) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and

(C) of all resolutions and proceedings at all meetings of the Company and of any class of members of the Company and of the Directors and of committees of Directors.

132. Any such Minutes, if signed by the Chairman of the meeting to which they relate or at which they are read, shall be received as prima facie evidence of the facts therein stated.

133. The Directors shall duly comply with the provisions of the Statutes and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a register of Directors and Secretaries, a register of members, a register of mortgages and charges, and a register of Directors' share and debenture holdings, and in regard to the production and furnishing of copies of such registers and of any register of holders of debentures of the Company.

134. Any register, index, minute book, book of account or other book required by these Articles or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

ACCOUNTS

135. The Directors shall cause to be kept such books of account as are necessary to comply with the provisions of the Statutes. The books of account shall be kept at the Office, or at such other place within Great Britain as the Directors think fit, and shall always be open to the inspection of the Directors. No member (other than a 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.

136. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before a General Meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary.

137. A printed copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by law to be attached or annexed thereto) shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings of the Company under the provisions of the Statutes or of these Articles. This Article shall not require a copy of these documents to be sent to more than one of joint holders or to any person who is not

entitled to receive notices of meetings and of whose address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Whenever a listing on any Stock Exchange for all or any of the shares or debentures of the Company shall for the time being be in force, there shall be forwarded to the appropriate officer of such Stock Exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

AUDITOR

138. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

139. The Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which a Member is entitled to receive, and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

140. Any notice or document (including a share certificate) may be

served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty four hours after the time when the envelope containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

141. In respect of joint holdings, 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.

142. A person entitled to a share in consequence of the death or bankruptcy of a member, upon such evidence being produced as may from time to time properly be required by the Directors and upon supplying an address within the United Kingdom for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled, and such service or delivery shall for all purposes be deemed a

sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt, and whether or not the Company have notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

143. A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive notices from the Company.

144. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notice sent through the post, a general meeting may be convened by a notice advertised in at least two daily newspapers with a national circulation and in that event the notice shall be deemed to have been served on all members and persons entitled by transmission who are entitled to have notice of the meeting served upon them, on the day when the advertisement appears. If at least six clear days prior to the meeting the posting of

notices to addresses throughout the United Kingdom has again become practicable, the Company has sent confirmatory copies of the notice by post to the persons entitled to receive them.

UNTRACED SHAREHOLDERS

145. The Company may sell any shares in the Company on behalf of the holder of, or person entitled by transmission to, the shares by instructing a member of The Stock Exchange to sell them in accordance with the best practice then obtaining if:-

(i) the shares have been in issue throughout the qualifying period (as defined below) and at least three cash dividends have become payable on the shares during the qualifying period,

(ii) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares at any time during the relevant period,

(iii) so far as any Director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received any communication from the holder of, or person entitled by transmission to, the shares,

(iv) the Company has caused two advertisements to be published, one in a daily newspaper with a national circulation and the other in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the shares shown in the register, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates, and

(v) the Company has given notice to the Quotations Department of The Stock Exchange of its intention to make the sale.

For the purpose of this paragraph of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the advertisements referred to in sub-paragraph (iv) above or of the first of the two advertisements to be published if they are published on different dates; and

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (i) to (v) above have been satisfied.

If, after the publication of either or both of the advertisements referred to in sub-paragraph (iv) above but

before the Company has become entitled to sell the shares pursuant to this paragraph of this article, the requirements of sub-paragraph (i) above cease to be satisfied, the Company may not sell those shares after the requirements of sub-paragraphs (i) to (v) above have been satisfied afresh in relation to them.

If during any relevant period further shares have been issued in right of those held at the beginning of that relevant period or of any previous shares issued during that relevant period and all the requirements of sub-paragraphs (ii) to (v) above have been satisfied in regard to the further shares, the Company may also sell the further shares.

To give effect to any sale of shares pursuant to this paragraph of this Article the board may authorise some person to transfer the shares in question and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company and, upon their receipt, the Company shall become indebted to the former holder of, or person entitled by transmission to, the shares for an amount equal to the net

proceeds. No trust shall be created in respect of the debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit.

DESTRUCTION OF DOCUMENTS

146. (1) The Company may destroy:-

(a) any instrument of transfer, after six years from the date on which it is registered;

(b) any dividend mandate or notification of change of name or address, after two years from the date on which it is recorded;

(c) any share certificate which has been cancelled after one year from the date of cancellation thereof;

(d) any other document upon which an entry is made in the Register, after 6 years from the date the entry was made in the Register;

and references in this Article to the destruction of any document include references to the disposal of it in any manner.

(2) It shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and

effective instrument duly and property registered and every share certificate so destroyed was a valid and effective certificate 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 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.

(3) Nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any document earlier than any of the above periods or in any other circumstances which would not attach to the Company in the absence of this Article.

WINDING UP

147. If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of an Extraordinary Resolution, divide among the members <u>in specie</u> 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 determine how such division shall be carried out as between the members of different classes of members. 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 or other property in respect of which there is a liability.

INDEMNITY

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

149. Subject to the provisions of the Statutes, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors or the Secretary of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their

powers and/or otherwise in relation to their duties, powers or offices in relation to the Company.

What is contained in this and the eighty six preceding pages is a print of the Articles of Association as altered by Special Resolution passed on 24th April 1992.

(M.L.A. Chiappelli)
Director

15382

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(Pursuant to Section 378(2) of the Companies Act 1985)

of

JOHNSTON PRESS plc

Passed 28th September 1992

At an EXTRAORDINARY GENERAL MEETING of JOHNSTON PRESS PLC duly convened and held at 53 Manor Place, Edinburgh on 28th September 1992 the following Resolution was passed as a Special Resolution of the Company:-

SPECIAL RESOLUTION

THAT the Directors be and they are hereby empowered pursuant to section 95 of the Companies Act 1985 ("the Act"), to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred upon the Directors in terms of Resolution 3 passed at the Extraordinary General Meeting of the Company held on 17th January, 1990 as if section 89(1) of the Act did not apply to any such allotment, provided that the power shall be limited:-

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or any legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment of Ordinary Shares of 10p each in the capital of the Company up to an aggregate nominal amount of £250,000 in connection with the placing and offer to shareholders described in the Circular accompanying this Notice and

(iii) to the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) of this Resolution) of equity securities up to an aggregate nominal value of £134,915.

This power shall expire on the date of the Annual General Meeting of the Company held in 1993 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 Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

M.L.A. Chiappelli, C.A.,
Secretary

Registered Office:-

53 Manor Place,
EDINBURGH,
EH3 7EG.

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THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

(pursuant to Section 378 (2) of the Companies Act 1985)

of

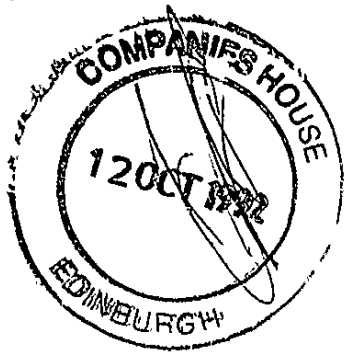
JOHNSTON PRESS plc

Passed 9th October 1992

At an EXTRAORDINARY GENERAL MEETING of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh on 9th October 1992 the following Resolution was passed as a Special Resolution:-

RESOLUTION

"Subject to the confirmation of the Court of Session, the share premium account of the Company ("the Account") be reduced by £14,004,438 plus a sum equal to the aggregate of the premiums arising on the issue of any Ordinary shares of the Company which are issued as consideration for the purchase by the Company of any shares in T.R. Beckett Limited (other than the Contract shares as defined in the Acquisition Agreement referred to and defined in the listing particulars of the Company dated 2nd September, 1992) and that the amount by which the Account is so reduced be appropriated to reserves and utilised in the



consolidated accounts of the Company and its subsidiaries to write off the goodwill arising on consolidation resulting from any one or more acquisitions made or to be made by the Company or any of its subsidiaries."

Secretary

Registered Office:

53 Manor Place,
Edinburgh EH3 7EG

CERTIFICATE OF REGISTRATION

OF ORDER OF COURT

ON

REDUCTION OF SHARE PREMIUM ACCOUNT

Company Number 15382

JOHNSTON PRESS plc

having by special resolution reduced its share premium account, as confirmed by an Order of the Court of Session, Scotland dated 18 December 1992

I hereby certify that the said order was registered pursuant to Section 138 of the Companies Act 1985 on 24 December 1992.

Given under my hand at Edinburgh

5 January 1993

Registrar of Companies

COMPANIES HOUSE

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THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION
(pursuant to section 378(2) of
the Companies Act 1985)

of

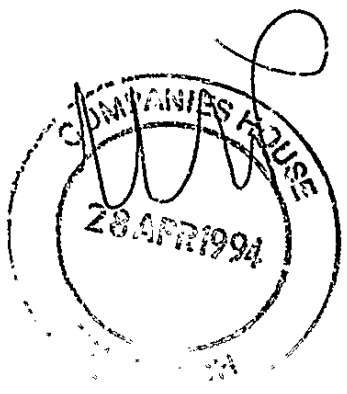
JOHNSTON PRESS plc

At the Sixty-fifth Annual General Meeting of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh, EH3 7EG on 22nd April 1994 the following Resolution was proposed and passed as a Special Resolution:-

SPECIAL RESOLUTION

"That the Directors be and are hereby empowered pursuant to the provisions of Section 95 of the Companies Act 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) for cash, as if sub-section (1) of Section 89 of the Act did not apply to any such allotment provided that this power shall be limited:

(i) to the allotment of such 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 subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional



entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; and

(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of £154,053.

This power shall expire, unless previously revoked or varied on the date of the Annual General Meeting of the Company held in 1995 save that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired."

Secretary

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION
(pursuant to section 378(2) of
the Companies Act 1985)

of

JOHNSTON PRESS plc

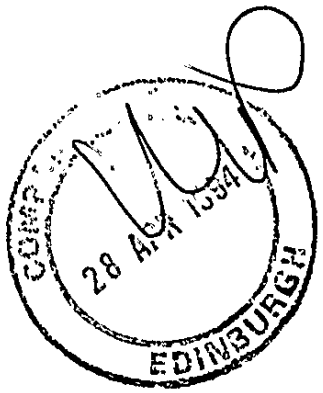
At an Extraordinary General Meeting of JOHNSTON PRESS plc duly convened and held at 53 Manor Place, Edinburgh, EH3 7EG on 22nd April 1994 the following Resolution was proposed and passed as a Special Resolution:-

SPECIAL RESOLUTION

"That

(1) the authorised share capital of the Company is hereby increased from £4,415,000 to £5,500,000 by the creation of 10,850,000 ordinary shares of 10p each;

(2) the directors of the Company be and are hereby authorised for the purposes of section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot, grant options over, offer or otherwise deal or dispose of any relevant securities (within the meaning of section 80(2) of the Act) of the Company up to an aggregate nominal amount of £1,063,333, provided always that this authority shall expire (unless previously renewed, varied or revoked by the Company in general



meeting) at the conclusion of the next annual general meeting of the Company or fifteen months from the passing of this resolution, whichever shall be the earlier and the directors shall be entitled under the authority hereby conferred or under any renewal thereof, to make at any time prior to the expiry of such authority, any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority and the directors may allot relevant securities pursuant to any such offer or agreement;

(3) the Offer (including any amendments, variations, revisions or extensions thereof) by the Company to acquire the whole of the issued share capital of Halifax Courier Holdings Limited be and it is hereby approved on the terms and conditions contained in the Offer document dated 30th March, 1994 from Hill Samuel Bank Limited on behalf of the Company addressed to the ordinary shareholders of Halifax Courier Holdings Limited (the "Offer") and all acts, agreements, arrangements and indemnities which the directors consider desirable for the purpose of the Offer be and they are hereby approved;

(4) the directors be given power to allot for cash equity securities (as defined in section 94 of the Companies Act 1985 ("the Act") pursuant to the general authority pursuant to section 80 of the Act conferred on them by paragraph 2 of this resolution as if

section 89(1) of the Act did not apply to the allotment but this power shall be limited to:

(i) the allotment of equity securities in connection with an offer or issue to or in favour of Ordinary shareholders on the register on a date fixed by the directors where the equity securities respectively attributable to the interests of all those shareholders are proportionate (as nearly as practicable) to the respective numbers of Ordinary Shares held by them on that date, save that the directors may make such exclusions or other arrangements as they consider expedient in relation to fractional entitlements, legal or practical problems under the laws of any jurisdiction or the requirements of any relevant regulatory body or stock exchange;

(ii) to the allotment of Ordinary Shares of 10p each in the Capital of the Company up to an aggregate nominal amount of £120,000 pursuant to the terms of the Placing Agreement dated 30th March, 1994 entered into between the Company and Hill Samuel Bank Limited;

(iii) the allotment (other than under (i) and (ii) above) of equity securities having, in the case of relevant shares (as defined in section 94 of the Act), a nominal amount or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares

having a nominal amount, not exceeding in aggregate £166,550;

(iv) this power shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months after the passing of this resolution; and

(v) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the directors may allot securities in pursuance of such an offer or agreement as if the power hereby conferred had not expired."

Secretary

Johnston Press plc
(Registered in Scotland No. 15382)

At an EXTRAORDINARY GENERAL MEETING of the Company duly convened held at 53 Manor Place, Edinburgh EH3 7EG at 12 noon on 28th October, 1994 the following Resolutions were duly passed as Resolutions of the Company, in the case of Resolution Number 1, as an ORDINARY RESOLUTION and, in the case of Resolution Number 2, as a SPECIAL RESOLUTION:

ORDINARY RESOLUTION

1. "That conditionally upon the Ordinary shares to be issued pursuant hereto being admitted to the Official List of The International London Stock Exchange of the United Kingdom and Republic of Ireland and such listing becoming effective:-

   (a) the authorised share capital of the Company be and is hereby increased from £5,500,000 to £18,500,000 by the creation of 130,000,000 additional Ordinary shares of 10p each; and

   (b) upon the recommendation of the Directors, the sum of £10,005,375.20 being part of the amount standing to the credit of the share premium account of the Company, be and is hereby capitalised and the Directors be and are hereby authorised and directed to:

      (i) appropriate such sum to the shareholders who, at the close of business on 24th October, 1994, were the holders of Ordinary shares ("Qualifying Shareholders") in the proportions in which sum would have been divisible amongst them had the same been applied in paying dividends on the Ordinary shares;

      (ii) apply such sum on their behalf in paying up, in full, at par 100,033,752 Ordinary shares created pursuant to this Resolution; and

      (iii) allot and distribute these Ordinary shares, credited as fully paid, to and amongst those Qualifying Shareholders in the proportions on the basis that the Ordinary shares to be allotted and distributed shall rank in all respects pari passu with the existing issued Ordinary shares of the Company save that they will not rank for the interim dividend declared for the financial year ending on 31st December 1994."

SPECIAL RESOLUTION

2. "Subject to the confirmation of the Court Session, the share premium account of the

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Company ("the Account") be reduced by £5,880,930 and that the amount by which the Account is so reduced be appropriated to reserves and utilised in the consolidated accounts of the Company and its subsidiaries to write off the goodwill arising on consolidation resulting from any one or more acquisitions made or to be made by the Company or any of its subsidiaries."

.....
M.L.A. Chiappelli
Secretary

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COMPANIES FORM NO.123
Notice of increase in nominal capital

123

Pursuant to section 123 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number 15382

Name of company

JOHNSTON PRESS PLC

gives notice in accordance with section 123 of the above Act that by resolution of the company dated 24/10/1994 the nominal capital of the company has been increased by £ 13000000.00 beyond the registered capital of £ 5500000.00

A copy of the resolution authorising the increase is attached.

The conditions (e.g. voting rights, dividend rights, winding-up rights etc.) subject to which the new shares have been or are to be issued are as follow:

Each Ordinary Share ranking pari passu with the existing Ordinary Shares of £0.10.

Please tick here if continued overleaf ☐

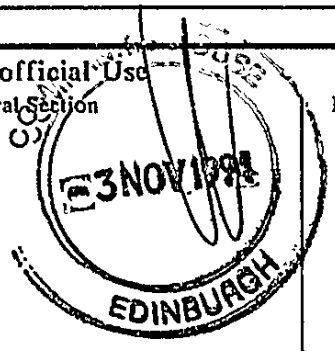
‡ Insert Director, Secretary Etc

Signed [signature] Designation‡ Director Date 28.10.94.

Presentor's name address and reference (if any):

MacRoberts
Solicitors
152 Bath Street, Glasgow G2 4TB
Tel: 041-332-9988
Ref:LSS/ID/IJ

For official Use
General Section



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CERTIFICATE OF REGISTRATION

OF ORDER OF COURT

ON

REDUCTION OF SHARE PREMIUM ACCOUNT

Company Number 15382

JOHNSTON PRESS PLC

having by Special Resolution reduced its share premium account, as confirmed by an Order of the Court of Session, Scotland

dated the 14 December 1994

I hereby certify that the said Order was registered pursuant to section 138 of the Companies Act 1985 on

19 December 1994

Given under my hand at Edinburgh the 21 December 1994

Stuart S. Smith

for Registrar of Companies

COMPANIES HOUSE

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