

Company Number SC 149193

The Companies Acts 1985 to 1989

Private company limited by shares

ARTICLES OF ASSOCIATION

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COMPANIES HOUSE

Adopted by Special Resolution passed on 14 June 1994
(As amended by Ordinary Resolution passed on 24th December 1997)
(As amended by Special Resolution passed on 19 December 2008)
(As amended by Special Resolution passed on 16 October 2013)

of

Prudential Europe Assurance Holdings Limited

PRELIMINARY

1. The regulations in Table A in The Companies (Tables A to F) Regulations 1985 shall not apply to the Company.

2. In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively:-

“A’ Shareholders	The person(s) from time to time registered as holder(s) of the ‘A’ Shares.
“The Act”	The Companies Act 1985 as amended by the Companies Act 1989.
“B’ Shareholders	The person(s) from time to time registered as holder(s) of the ‘B’ Shares.
“C’ Shareholders	The Founders together with any person(s) from time to time registered as holder(s) of the ‘C’ Shares.
“Company”	Prudential Europe Assurance Holdings Limited.
“Deferred Shares”	means the deferred shares of £1 each.
“Founders”	Paul Bradshaw and Clive Cowdery in each case for so long as he holds any shares in the Company and, thereafter any successor Founder appointed in accordance with the provisions of the Shareholders Agreement.

"Group"	means the Company and its subsidiaries from time to time.
"In writing"	Written or produced by any substitute for writing or partly one and partly another.
"Listing"	The grant of an application by or on behalf of the Company to the London Stock Exchange or any other analogous body operating in the United Kingdom for the establishment of any listing for or other market or dealing facility in any part of the Company's equity share capital.
"Month"	Calendar month.
"Office"	The registered office of the Company for the time being.
"Ordinary Shares"	The ordinary shares of 1p each in the capital of the Company.
"Paid"	Paid or credited as paid.
"Preference Shares"	The zero dividend Redeemable Preference Shares of £1 each in the capital of the Company.
"SALAS"	Scottish Amicable Life Assurance Society.
"SALI"	Scottish Amicable International Assurance PLC.
"Seal"	The Common Seal of the Company.
"Share Benefit Trust"	Any trust nominated by the Directors from time to time established for the benefit of employees and/or former employees of the Company or its subsidiaries and/or any individuals who have or have had contracts for services with the Company or its subsidiaries and/or any other class of individuals nominated by the Directors.
"Shareholders Agreement"	The Agreement dated 11 March 1994 between SALAS, J Rothschild Assurance Holdings plc, the Founders and others relating to the establishment of the Company.
"These Articles"	These Articles of Association as from time to time altered.
"The Statutes"	The Act and every other statute for the time being in force concerning companies and affecting the Company.

"The London Stock Exchange"	The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited.
"The United Kingdom"	Great Britain and Northern Ireland
"Transfer Office"	The place where the Register of Members is situate for the time being.
"Year"	Calendar year.

The expressions "debenture" and "debenture holder" shall respectively include "debenture stock" and "debenture stockholder".

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary including, but not limited to, a joint, assistant or deputy Secretary.

All such of the provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid any words or expressions defined in or bearing a specific meaning for the purposes of the Act shall (if not inconsistent with the subject or context) bear the same meaning in these Articles.

A Special or Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

SHARE CAPITAL

- * 3.1 The share capital of the Company at the date of the adoption of these Articles of Association is £29,000,000 divided into 90,000,000 Ordinary Shares, comprising 72,000,000 'A' Shares of 1p each, 9,000,000 'B' Shares of 1p each and 9,000,000 'C' Shares of 1p each, 24,100,000 Preference Shares and 4,000,000 Deferred Shares.

- 3.2 The respective rights of the Preference Shares and the Ordinary Shares to the income and capital of the Company are as follows:-

(A) Income

The profits of the Company available for distribution and resolved to be distributed shall be applied, subject to any special rights which may be attached to any other class of shares by way of dividend among the holders of the Ordinary Shares. The holders of the Preference Shares shall not be entitled to any payment of dividend.

- * On 24th December 1997 the share capital of the Company was £39,000,000 divided into 90,000,000 Ordinary Shares, comprising 72,000,000 'A' Shares of 1p each, 9,000,000 'B' Shares of 1p and 9,000,000 'C' Shares of 1p each, 34,100,000 Preference Shares of £1 each and 4,000,000 Deferred Shares of £1 each.

(B) Capital

On a return of capital on winding-up or otherwise (other than on redemption or purchase of shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:-

(i) in repaying to the holders of the Preference Shares in priority to any payment to the holders of any other class of shares an amount per share calculated as the value attributable to the Preference Shares at such time determined by multiplying nominal value of each outstanding Preference Share in issue by the appropriate multiplicand set out in the table below. The appropriate multiplicand at any time to be applied in relation to any Preference Share shall be that shown in the table below, determined by reference to the period elapsed following the particular date of issue of the Preference Share in question.

<u>Period since issue</u>	<u>Multiplicand</u>
Date of issue to 6 months following issue	1.000
From the beginning of month 7 following issue to the end of month 12 following issue:	1.0724
From the beginning of month 13 following issue to the end of month 18 following issue:	1.1500
From the beginning of month 19 following issue to the end of month 24 following issue:	1.2332
From the beginning of month 25 following issue to the end of month 30 following issue:	1.3225
From the beginning of month 31 following issue to the end of month 36 following issue:	1.4182
From the beginning of month 37 following issue to the end of month 42 following issue:	1.5209
From the beginning of month 43 following issue to the end of month 48 following issue:	1.6310
From the beginning of month 49 following issue to the end of month 54 following issue:	1.7490
From the beginning of month 55 following issue to the end of month 60 following issue:	1.8756
From the beginning of month 66 following issue to the end of month 66 following issue:	2.0114

From the beginning of month 67 following issue to the end of month 72 following issue:	2.1569
From the beginning of month 73 following issue to the end of month 78 following issue:	2.3131
From the beginning of month 79 following issue to the end of month 84 following issue:	2.4805
From the beginning of month 85 following issue to the end of month 90 following issue:	2.6600
From the beginning of month 91 following issue to the end of month 96 following issue:	2.8526
From the beginning of month 97 following issue to the end of month 102 following issue:	3.0590
From the beginning of month 103 following issue to the end of month 108 following issue:	3.2804
From the beginning of month 109 following issue to the end of month 114 following issue:	3.5179
From the beginning of month 115 following issue to the end of month 120 following issue:	3.7725
From the beginning of month 121 following issue to the end of month 126 following issue:	4.0456
From the beginning of month 127 following issue to the end of month 132 following issue:	4.3384
From the beginning of month 133 following issue to the end of month 138 following issue:	4.6524
From the beginning of month 139 following issue to the end of month 144 following issue:	4.9891
From the beginning of month 145 following issue to the end of month 150 following issue:	5.3503
From the beginning of month 151 following issue to the end of month 156 following issue:	5.7375
From the beginning of month 157 following issue to the end of month 162 following issue:	6.1528
From the beginning of month 163 following issue to the end of month 168 following issue:	6.5981

From the beginning of month 169 following issue to the end 7.0757
of month 174 following issue:

From the beginning of month 175 following issue to the end 7.5978
of month 180 following issue:

From the beginning of month 181 following issue to the end 8.1371
of month 186 following issue:

and

(ii) subject to any special rights which may be attached to any other class of shares, out of any surplus remaining after making the payments referred to in Article 3.2.(B)(i), (a) in repayment to the holders of the Ordinary Shares of amounts equal to the nominal amount paid up in respect of each such Ordinary Share held by the holders of such shares; and (b) after making the payments referred to in Article 3.3 in repayment of any surplus remaining to the holders of the Ordinary Shares rateably according to the nominal value of the Ordinary Shares held by them respectively: PROVIDED THAT any holder of Preference Shares shall have the right, by notice in writing served on the Company, to elect to receive, on a return of capital on winding-up or otherwise (other than on, redemption or purchase of shares) a proportionate amount of any such surplus so remaining but, in the event any such holder shall serve such a notice, the following provisions shall apply:-

- (a) before any payment is made to any holder of Preference Shares under the provisions of this Article 3.2(B)(ii) there shall be paid to the holders of the Ordinary Shares in respect of each Ordinary Share held by them the amount paid up on each such share and £100,000 for each such share; and
- (b) after the making of the payments referred to in Article 3.2(B)(ii)(a) any surplus remaining shall be repaid to the holders of the Preference Shares electing to receive such payment and the holders of Ordinary Shares rateably according to the nominal value of the shares held by them respectively; and
- (c) the right to make such an election shall be personal to the holders of the Preference Shares and may be exercised at any time prior to seven days preceding the date of actual repayment. Any such election shall be valid only for so long as the Preference Shares in respect of which it is made remain registered in the name of the holder of such shares making the election.

(C) Voting and General Meetings

(i) The holders of the Preference Shares shall, by virtue of and in respect of their respective holdings of Preference Shares have the right to receive notice of, but shall not have the right to attend, speak and vote at a General Meeting of the Company unless:-

- (a) at the date of the notice convening such meeting, the Preference Shares required to be redeemed under paragraph (D) below have not been redeemed on the due date therefor or, if later, on a date subsequent thereto prior to the date of such notice; or

(b) if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the Preference Shares or for the winding-up of the Company, or for sanctioning the sale of the undertaking of the Company in which case they shall only be entitled to vote on such resolution.

(ii) Whenever the holders of the Preference Shares are entitled to vote at a General Meeting of the Company, upon any resolution proposed at such a General Meeting, on a show of hands or poll every holder thereof who is present in person or (being a corporation) by a representative shall have one vote in respect of each fully-paid Preference Share registered in the name of such holder.

(D) Redemption and purchase

(i) There shall be paid on each Preference Share redeemed under sub-paragraph (ii) below an amount per share calculated as the value attributable to each Preference Shares at such time pursuant to Article 3.2.(B)(i).

(ii) The Company shall subject to the Act, redeem on 31 December 2009 (or as soon thereafter as the Company shall be able to comply with the provisions of the Act affecting the redemption of redeemable shares) all of the Preference Shares for the time being issued and outstanding by giving to the holders of the particular Preference Shares to be redeemed not less than 28 days' prior notice in writing of the date (the "Redemption Date") when such redemption is to be effective. The amount payable on redemption thereof shall be the sum specified in sub-paragraph (i) above, provided that if the Company shall be unable in compliance with the Act to redeem all or any of the relevant Preference Shares in accordance with this sub-paragraph on that date, then the Company shall redeem such number of shares as may lawfully be redeemed at that time pro rata from each holding of relevant Preference Shares. The Company shall redeem the remaining shares which otherwise would have fallen to be redeemed in accordance with this sub-paragraph as soon after such date or dates as the Company shall be able to in compliance with the Act.

(iii) Any notice given under sub-paragraph (ii) above shall specify the applicable Redemption Date and the place at which certificates for the relevant Preference Shares are to be presented for redemption and upon such Redemption Date the Company shall redeem the relevant Redemption Shares and each of the holders of the Preference Shares shall be bound to deliver to the Company at such place the certificates for such of the relevant Preference Shares as are held by him. Upon such delivery the Company shall pay to such holder the amount due to him in respect of such redemption.

(iv) If any holder of any of the relevant Preference Shares to be redeemed shall fail or refuse to deliver up the certificate or certificates held by him at the time and place fixed for the redemption of such shares or shall fail or refuse to accept payment of the redemption moneys payable in respect thereof, the redemption money\$ payable to such holder shall be set aside and paid into a separate interest-bearing account with the Company's bankers (designated for the benefit of such holder) and such setting aside shall be deemed for all purposes to be a payment to such holder and all the said holder's rights as a holder of the relevant Preference Shares shall cease and determine as from the date fixed for the redemption of such shares and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not

be responsible for the safe custody of the moneys so placed on deposit or for interest thereon except such interest as the said moneys may earn while on deposit less any expenses incurred by the Company in connection therewith.

(v) The receipt of the registered holder for the time being of any of the relevant Preference Shares or in the case of joint registered holders the receipt of any of them for the moneys payable on redemption shall constitute an absolute discharge to the Company in respect thereof.

(vi) Upon the redemption of any Preference Shares the Directors may pursuant to the authority given by the passing in General Meeting of the resolution to create the relevant Preference Shares convert and sub-divide the authorised preference share capital existing as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the relevant Preference Shares.

(E) Further issues

The Company may from time to time create and issue further preference shares (in this Article called "Further Preference Shares") ranking as regards participation in the profits and assets of the Company in all respects *pari passu* with the Preference Shares. Any such Further Preference Shares may either carry rights and restrictions as regards participation in the profits and assets of the Company which are identical in all respects with the Preference Shares or with any other series of Further Preference Shares or rights and restrictions differing therefrom in any respect including but without prejudice to the generality of the foregoing in that:-

(a) entitlement to dividend may differ;

(b) the Further Preference Shares may rank for dividend as from such date as may be provided by the terms of issue thereof and the dates for payment of dividend may differ;

(c) the premium on a return of capital may differ or there may be no such premium;

(d) the Further Preference Shares may be redeemable on such terms and conditions as may be prescribed by the terms of the issue thereof and/or the Articles of Association of the Company for the time being; and/or

(e) the Further Preference Shares may be convertible into Ordinary Shares or any other class of shares ranking as regards participation in the profits and assets of the Company after the Further Preference Shares.

3.3 The Deferred Shares

(A) The Deferred Shares shall confer upon the holders thereof no rights to speak or vote at any general meetings of the Company other than those at which any resolution is proposed varying, abrogating or modifying any of the special rights attached to such shares and there only on such resolution.

- (B) The Deferred Shares shall confer upon the holders no right to participate in the income or profits of the Company and on a return of capital on a winding-up or otherwise (other than on redemption or purchase of shares by the Company) the holders of the Deferred Shares shall be entitled to be repaid, after the making of the payments referred to in Articles 3.2(b) and 3.2(c)(ii)(a) the sum of £1 for each such share held but shall have no other right to participate in the capital of the Company.

VARIATION OF RIGHTS.

4. Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value 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 at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that at any adjourned meeting any holder of shares of the class 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 special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

SPECIAL RIGHTS

The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL.

6. 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 the Statutes and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

7. The Company may by Ordinary Resolution:-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;

(c) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, 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.

8. Subject to the provisions of the Statutes, the Company may purchase any of its own shares (including any redeemable shares). Every contract for the purchase by the Company of, or under which it may become entitled or obliged to purchase, its own shares shall, in addition to such authorisation as may be required by the Statutes, be sanctioned by an Extraordinary Resolution passed at a Separate General Meeting of the holders of each class of shares in issue convertible into equity share capital of the Company.

9. The Company may reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

SHARES.

10. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed.

11. Subject to the provisions of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

12. The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted. The Company may also on any issue of shares pay such brokerage as may be lawful.

13. The Directors may at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise

provided) any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

PERMITTED TRANSFERS OF SHARES.

15.1 The Directors may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of shares (not being fully-paid shares). The Directors may also refuse to register an allotment or transfer of shares (whether fully-paid or not) in favour of more than four persons jointly. If the Directors refuse to register an allotment or transfer they shall within two months after the date on which the letter of allotment or transfer was lodged with the Company send to the allottee or transferee notice of the refusal.

15.2 Subject to the provisions of Article 15.1 the following transfers of 'A', 'B' and 'C' Shares and Preference Shares shall be permitted:-

15.2.1 by any member holding 'A', 'B', or 'C' Shares or Preference Shares to a Member of the Same Group as the proposing transferee; or

15.2.2 any transfer by an 'A' Shareholder or 'B' Shareholder or 'C' Shareholder to any Share Benefit Trust; or

15.2.3 to any person in accordance with the provisions of any agreement for the time being binding on all of the holders of the 'A' Shares, the 'B' Shares, the 'C' Shares, and the Company; or

15.2.4 any transfer from any Share Benefit Trust to any person nominated by the Directors;

15.2.5 any transfer by a holder of 'C' Shares of the entire legal and beneficial interest held by him to a relative or a family settlement. For this purpose "family settlement" means a settlement made by the 'C' Shareholder under which no one other than the 'C' Shareholder and any relative of the 'C' Shareholder is or may become entitled to any beneficial interest and under which no power of control under the voting powers attached to any ordinary shares in question is exercisable by or subject to the consent of any person other than the trustee or trustees of the family settlement and "relative" the 'C' Shareholder shall mean a spouse or any lineal descendants of the 'C' Shareholder or the spouse or widow or widower of any such lineal descendant; and

15.2.6 any transfer by any Shareholder to any other Shareholder pursuant to Article 16 below.

15.3 If, while it holds shares in the Company, a Transferee ceases to be a Member of the Same Group as the Transferor from which (whether directly or by a series of transfers under Article 15.2 above) the Relevant Shares were derived, it shall be the duty of the Transferee to notify all the other members in writing that such event has occurred and the transferee shall be bound (except as all the other members may in writing otherwise determine) to transfer the Relevant Shares to the Transferor or a Member of the Same Group as the Transferor, any such transfer being deemed to be authorised under the foregoing provisions of this Article, but subject to the provisions of Article 15.1.

15.4 For the purposes of this Article:-

15.4.1 "company" includes any body corporate;

15.4.2 "a Member of the Same Group" means, in relation to any shareholder, a company which is for the time being a holding company of that shareholder or a direct or indirect subsidiary of that shareholder or a subsidiary of any such holding company (as such terms are defined in the Act);

15.4.3 "Transferor" means a member which has transferred or proposes to transfer shares to a Member of the Same Group;

15.4.4 "Transferee" means a company for the time being holding shares in consequence (directly or indirectly) of a transfer or series of transfers of shares between Members of the Same Group (the relevant Transferor in the case of a series of such transfers being the first Transferor in such series);

15.4.5 "the Relevant Shares" means and includes (so far as the same remain for the time being held by any person(s) being the holder(s) thereof on the adoption of these Articles or by any person(s) in consequence of a transfer or series of transfers of shares to such person(s) pursuant to Article 15.2 above) the shares originally held by or transferred to such person(s) and any additional shares issued to such person(s) by way of capitalisation or acquired by such person(s) 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.

15.5 Except in the case of a transfer of shares expressly authorised by Article 15.2 (a "Permitted Transfer") the holders of 'A', 'B' and 'C' Shares shall not be permitted to transfer shares.

15.6 For the purposes of this Article 15:-

15.6.1 where a 'C' Shareholder proposes to transfer all or any of the Ordinary Shares by him to a relative or a family settlement he shall procure that such relative or the trustee(s) of such family settlement shall first enter into an Agreement whereby he or they undertake that, on such 'C' Shareholder ceasing to be employed by the Company (or any of its subsidiaries), he or they shall be deemed to have served a Founder Obligatory Put Notice (as such term is defined in Article 16) in accordance with Article 16.

15.6.2 If, while it holds shares in the Company, a Transferee ceases to be a Member of the Same Group as the Transferor from which (whether directly or by a series of transfers under Article 15.2 above) the relevant shares were derived, it shall be the duty of the Transferee to notify all the other members in writing that such event has occurred and the Transferee shall be bound (except as all the other members may in writing otherwise determine) to transfer the relevant shares to the Transferor or a Member of the Same Group as the Transferor, any such transfer being deemed to be authorised under the foregoing provisions of this Article, but subject to the provisions of Article 15.1.

15.7 No share and no interest in any share shall be held by any member as a bare nominee for or sold or disposed of to any person unless a transfer of such share to such person would rank as a Permitted Transfer. If the foregoing provision shall be infringed the holder of such share shall be bound to give a Transfer Notice in respect thereof.

15.8 For the purpose of ensuring that a transfer of shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder the Directors may from time to time require any member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose.

15.9 In any case where the Directors have duly required a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of one month, or such longer period as the Directors may allow for the purpose, such Transfer Notice shall (except and to the extent that a Permitted Transfer of any of such shares shall have been lodged) be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the provisions of the Article relating to Transfer Notices shall take effect accordingly.

16. EXIT OPTIONS

16.1 Definitions

For the purposes of this Article 16 the following phrases have the following meanings:-

16.1.1 "Appraisal Value" means, in relation to the Company, on any applicable valuation date, the sum of the Embedded Value together with an amount equal to the sum of three times the value at point of sale of business written by SALI in the twelve months prior to such valuation date. For the purpose of this definition the discount rate shall be 15 per cent.

16.1.2 "Embedded Value" means on any applicable valuation date the sum of:-

- (i) the present value of the anticipated future profits (net of tax) arising from and in connection with existing business written by SALI up to the date of valuation discounted at a risk discount rate of 15 per cent; and
- (ii) the current market value of assets comprising SALI's shareholders funds together with an amount equal to the value of any actuarial surplus in SALI's long term business funds;
less
- (iii) the value of any outstanding Preference Shares of the Company determined in accordance with Article 3.2(B)(i);

such sum to be adjusted to take account of any other subsidiaries or business of the Company as may be considered appropriate by the Consulting Actuaries;

for the purposes of determining "Embedded Value" on any applicable valuation date:-

- (a) the present value of anticipated future profits; and
- (b) the current market value of assets comprising SALI's Shareholders Funds; and
- (c) the value of any actuarial surplus:

shall be determined by the consulting Actuaries in accordance with Article 16.6.1.

16.1.3 "Exit Appraisal Value" means, on any applicable valuation date, the sum of:-

- (i) 150 per cent of the Appraisal Value of SALI attributable to business sold in the UK up to such date of valuation; and
- (ii) 250 per cent of the Appraisal Value of SALI attributable to business sold other than in the UK up to the applicable date of valuation; and
- (iii) an amount equal to 150 per cent of the Appraisal Value of SALAS attributable to sales by SALI employees of SALAS products up to the date of valuation.

16.1.4 "Consulting Actuaries" means the international firm of consulting actuaries to be appointed in accordance with Article 16.6.

16.1.5 "Remuneration Committee" means the Committee of the Board of Directors established by the Board of Directors with responsibility, inter alia, for determining levels of remuneration.

16.2 'B' Shareholder Exit Options

16.2.1 At any time after the fifth anniversary of the date of adoption of these Articles, the 'B' Shareholders may serve a notice (a "'B' Put Notice") on the 'A' Shareholders requiring the 'A' Shareholders to purchase all but not some only of the 'B' Shares and Preference Shares held by the 'B' Shareholders.

16.2.2 At any time after the fifth anniversary of Completion the 'A' Shareholder(s) may serve a notice (a "'B' Call Notice") on the 'B' Shareholders requiring the 'B' Shareholders to sell and transfer to the 'A' Shareholders all, but not some only of the 'B' Shares and Preference Shares held by the 'B' Shareholders.

16.2.3 Exercise Price

In the case of both a 'B' Call Notice and 'B' Put Notice, the price payable for the 'B' Shares and Preference Shares held by the 'B' Shareholder at the time the 'B' Call Notice or 'B' Put Notice (as the case may be) is served shall be calculated as follows:-

- (a) if the Embedded Value is, on the quarter-date immediately preceding the date on which such Notice is served, greater than £0, the price payable shall be:-
 - (i) in respect of the Preference Shares held by the 'B' Shareholder the value attributable thereto on the date of sale determined in accordance with Article 3.2.(B)(i); and

- (ii) in the case of the 'B' Shares a pro rata proportion of the Embedded Value attributable to such shares on the quarter-date immediately preceding the date on which the relevant notice was served; or
- (b) if the Embedded Value on the quarter-date immediately preceding the date on which the relevant notice was served is less than or equal to £0, the price payable shall be:-
 - (i) in respect of the Preference Shares such sum as is equal to the greater of:-
 - (x) 1/9 of the Embedded Value on the quarter-date immediately preceding the date on which the relevant notice was served; prior to the deduction of amounts due in respect of the value of all outstanding Preference Shares of the Company determined in accordance with Article 3.2.(B)(i); or
 - (y) the par value attributable thereto together with an amount per Preference Share equal to such amount as would have been payable if the holder of such Preference Shares had been entitled to receive an annual Cumulative dividend calculated annually in arrears on the anniversary of such date on which such Preference Shares were subscribed at the then prevailing base rate of National Westminster Bank plc together with 2 per cent up to the date on which the relevant notice is served; and
 - (ii) in respect of the 'B' Shares , £1 in aggregate for all such 'B' Shares held.

16.3 Founder and 'C' Shareholder Put Rights

16.3.1 Each of the Founders and 'C' Shareholders shall have the option exerciseable in accordance with Article 16.3.2 or Article 16.3.3 below to serve a notice (a Founder Put Notice) on the 'A' Shareholder requiring the 'A' Shareholder to purchase 'C' Shares held by such person.

16.3.2 The option referred to Article 16.3.1 shall, in the case of the Founders and D. Evans, D. Thomas, J. Edmondson and E. Fitzmaurice (for as long as each is a 'C' Shareholder), be exercised on the basis that in each January falling after the fifth anniversary of the date of adoption of these Articles such 'C' Shareholders may at their individual discretion serve a Founder Put Notice on the 'A' Shareholder specifying the number of 'C' Shares that the 'A' Shareholder shall be required to purchase on the basis that the maximum number of 'C' Shares comprised in the Founder Put Notice on any occasion when such notice may be served in accordance with this Article 16.3.2 shall, as a percentage of the total number of 'C' Shares originally held by that person and including any 'C' Shares previously the subject of a Founder Put Notice served by that person be as follows:-

January 2000	25%
January 2001	40%
January 2002	55%
January 2003	70%

January 2004	85%
January 2005	100%

16.3.3 The option referred to in Article 16.3.1 shall in the case of any other 'C' Shareholder than those individuals named in Article 16.3.2 be exercised as follows:-

- (i) in each January falling after the fifth anniversary of the date of adoption of these Articles such 'C' Shareholders shall notify Paul Bradshaw acting for the Remuneration Committee of such number of their 'C' Shares that they wish to sell.
- (ii) The Remuneration Committee shall be entitled to nominate individual 'C' Shareholders who have notified Paul Bradshaw of their desire to sell shares in accordance with Article 16.3.3(i) above and the percentage of their respective shareholdings that they shall be entitled to sell with the intent that the maximum aggregate number of 'C' Shares sold pursuant to Article 16.3.1 as a percentage of the total number of 'C' Shares for the time being in issue not held by the Founders or individuals to whom Article 16.3.2 applies shall be as follows:-

January 2000	25%
January 2001	40%
January 2002	55%
January 2003	70%
January 2004	85%
January 2005	100%

and further provided that if any 'C' Shareholder serving any notice under this Article 16.3.3 indicates that, at any time when such notification is given, a desire to sell a greater percentage of his original shareholding than would otherwise have been permitted had Article 16.3.2 applied to that person, the number of 'C' Shares in respect of which a Founder Put Notice shall be served for that person may be scaled down pro rata in the proportion that the maximum number of 'C' Shares that can be put in accordance with this Article 16.3.3 bears to the total number of 'C' Shares in respect of which application to put under this Article 16.3.3 on any occasion has been made.

- (iii) Following the determination of the number of shares to be sold by any particular 'C' Shareholder in any year under this Article 16.3.3, Paul Bradshaw (or, failing Paul Bradshaw, any Director of the Company appointed by the Directors for the purpose) shall, as agent for and on behalf of the relevant 'C' Shareholder serve a Founder Put Notice on the 'A'

Shareholder specifying the number of 'C' Shares to be sold by that 'C' Shareholder.

16.3.4 The price per 'C' Share payable by the 'A' Shareholder following receipt by it of a Founder Put Notice under Articles 16.3.2 and/or 16.3.3 shall be the pro rata proportion of the Exit Appraisal Value attributable to such share and the relevant valuation date for the purposes of determining the value of any 'C' Shares comprised in any such Founder Put Notice shall be 31 December in the year immediately preceding the year in which the relevant Founder Put Notice is so served.

16.4 Founder and 'C' Shareholder Put Obligations

16.4.1 Any 'C' Shareholder whose employment with the Company or any member of the Group is terminated (for whatever reason and by whichever party) prior to the fifth anniversary of the date of adoption of these Articles shall be deemed to have served a notice (a "Founder Obligatory Put Notice") on the 'A' Shareholder and the Company on the date that person's employment by the Company or any member of the Group terminates requiring the 'A' Shareholder to purchase all the 'C' Shares held by such person under the terms of which the price payable for such shares shall be the par value of such 'C' Shares.

16.4.2 Any 'C' Shareholder whose employment with the Company or any member of the Group is terminated (for whatever reason and by whichever party) after the fifth anniversary of the date of adoption of these Articles but prior to the tenth anniversary of the date of adoption of these Articles shall be deemed to have served a Founder Obligatory Put Notice on the 'A' Shareholder and the Company on the date that that person's employment with the Company or any member of the Group terminates requiring the 'A' Shareholder to purchase all the 'C' Shares held by such person. The price payable for such 'C' Shares the subject of a Founders Obligatory Put Notice served under this Article 16.4.2 shall be:

- (a) in respect of such proportion of the relevant person's holding of 'C' Shares as is equal to the percentage of 'C' Shares referred to in Article 16.3.2 above which may be made the subject of a Founder Put Notice in the year in which the termination occurs in the case of those persons entitled to serve a Founders Put Notice under Article 16.3.2 above, and in the case of any other 'C' Shareholder a like proportion of that 'C' Shareholder's holding of 'C' Shares; the pro rata proportion of the Exit Appraisal Value attributable to such 'C' Shares determined on the basis that the Relevant Valuation Date is 31 December in the year immediately preceding in the year in which the termination occurs; and
- (b) in respect of the remainder of such person's holding of 'C' Shares, the par value thereof.

16.4.3 Any 'C' Shareholder whose employment with the Company or any member of the Group is not terminated prior to the tenth anniversary of the date of adoption of these Articles may retain any 'C' Shares held by him for a period not exceeding three years following the date of

termination of that persons employment with the Company and/or any member of the Group provided that at the expiry of such three year period following termination of his employment, to the extent that such person has not served a Founder's Put Notice in respect of the 'C' Shares registered in his name or held in any family settlement: such a Founder Put Notice will be deemed to have been served by him on the 'A' Shareholder and on the Company on the date which is three years after the anniversary of the day on which such persons employment by SALI or the Company terminated and the relevant valuation date shall be 31 December in the year immediately preceding the year in which such notice is derieved to be served.

6.5 'A' Shareholder Call Option

16.5.1 At any time following the date of adoption of these Articles, the 'A' Shareholder shall have the right, exercisable at any time, to serve a notice ("a 'A' Call Notice") on all but not some only of the 'C' Shareholders requiring the recipient of such notice to sell and transfer to the 'A' Shareholder such number of his or their respective holdings of 'C' Shares in the Company as are set out in the 'A' Call Notice.

16.5.2 The price payable by the 'A' Shareholder for each such 'C' Share comprised in the 'A' Call Notice shall be such price as is equal to the greater of:

- (i) the pro rata proportion of £100,000,000 on the assumption that the aggregate value of all the Ordinary Share Capital of the Company in issue on the date on which the 'A' Shareholder serves the 'A' Call Notice is £100,000,000; or
- (ii) the greater of:-
 - (a) the pro rata proportion of the Exit Appraisal Value attributable to each such share calculated as at the end of the calendar year ending immediately prior to the year in which the 'A' Shareholder serves such 'A' Call Notice; or
 - (b) the pro rata proportion of the average of the Exit Appraisal Values that would have been attributable to each such 'C' Share as at the end of each of the three calendar years ending immediately prior to the year in which the 'A' Shareholder serves such 'A' Call Notice:

in the case of both the (a) and (b) above increased by a premium which shall be:

- (x) if the 'A' Shareholder serves such 'A' Call Notice within five years following the date of adoption of these Articles: 25 per cent; and
- (y) if the 'A' Shareholder serves such 'A' Call Notice between the fifth anniversary and tenth anniversary of the date of adoption of these Articles, such percentage as shall be obtained by interpolating between 25 per cent (applicable on the fifth anniversary of the date of adoption of these Articles) and 10 per cent (applicable on the tenth anniversary of the date of adoption of these Articles) according to the period expired

- between the date of adoption of these Articles and the date on which the 'A' Shareholder serves such 'A' Call Notice; and
- (z) if the 'A' Shareholder serves such 'A' Call Notice on or after the tenth anniversary of the date of adoption of these Articles: 10 per cent.

16.6 Consulting Actuaries

16.6.1 Following service or deemed service of any Notice under the provisions of this Article 16, the Company shall forthwith instruct a firm of consulting actuaries of international reputation, who shall be independent of either the 'A' or 'B' Shareholders to determine the Appraisal Value, Embedded Value and, if appropriate, the Exit Appraisal Value prevailing on the relevant valuation date applicable to such notice. Such firm of consulting actuaries shall also, if the 'A' Shareholder has served an 'A' Call Notice, determine the premium payable under Article 16.5.2(ii) (y), if applicable. In making any determination under this Article 16, that Consulting Actuaries shall apply the assumptions and methodologies appropriate to the relevant value set out in the letter dated 3rd March attached as Schedule 5 to the Shareholders and Subscription Agreement dated 11 March and made between SALAS, J. Rothschild Assurance Holdings plc and others.

16.6.2 The consulting actuaries shall act as experts and not as arbitrators in determining such values and numbers as aforesaid and their decision shall be final and binding on all parties (in the absence of manifest error). The costs of the consulting actuaries shall be borne as determined by the Shareholders Agreement.

16.7 General Provisions for the Purpose of Article 16

16.7.1 Any Notice served or deemed to have been served pursuant to the foregoing provisions of this Article 16 ("Option Notice") shall be irrevocable unless served by a 'C' Shareholder who is not a Founder under Article 16.3.2 or 16.3.3 and may be given or sent by pre-paid first class letter, telex or fax and shall be deemed to be received, in the case of notice by letter, 48 hours after posting, and in the case of notice by telex or fax, when the telex or fax is sent and, in the case of any deemed notice served under Article 16.4 shall be deemed to have been served on the relevant date specified in Articles 16.4.1, 16.4.2 or 16.4.3. Any Option Notice served by any Shareholder on any other Shareholder shall also be served at the same time on the Company.

16.7.2 Any Option Notice duly served or deemed to have been served shall create a binding contract between the 'A' Shareholders and/or 'B' Shareholders and/or 'C' Shareholders (as the case may be) to sell all the 'B' Shares and Preference Shares held by the 'B' Shareholders and/or 'C' Shares (as the case may be) and registered in the name of the 'B' Shareholders and/or 'C' Shareholders at the time the relevant Option Notice is so served. If and whenever any Option Notice is served, the sale of the Shares referred to in such notice shall be completed not later than 30 Business Days following receipt, or deemed receipt, of the Option Notice.

16.7.3 Any transfer of shares in accordance with this Article shall be effected by the vendor(s) selling such shares as beneficial owner free and clear of all claims, charges, liens, encumbrances and equities of any description and together with all rights attaching thereto on or after the date of service of the relevant notice. In order to complete any sale or purchase of shares under this Article:-

- (i) the purchaser shall supply completed transfer forms ready for execution by the vendor(s) not later than the third Business Day before the date appointed for completion;
- (ii) both parties shall attend ready to complete at the registered offices of the Company at 11.00 am (or such other place and hours may be agreed) of the day appointed for completion and the vendor(s) shall deliver the definitive certificates for the relevant shares and the benefit of any rights attached thereto; and
- (iii) both parties shall procure to the extent within their power registration of such transfers;

against payments to the vendor(s) by bankers draft (or in such other manner as may be agreed between the vendor(s) and the purchaser) of the purchase price payable.

16.7.4 If completion of any transfer of shares is delayed for any reason beyond thirty days after the date on which the relevant Option Notice is served or deemed to have been served (otherwise than due to the default of the relevant vendor) the relevant purchaser shall, if so required by the relevant vendor, thereafter pay interest to the vendor on the whole amount payable at completion calculated down to the date of actual payment on a daily basis with rests on the last day of each month at a rate of 3 per cent above the base rate for the time being at Barclays Bank plc. The relevant vendor may require that interest be paid on demand not more frequently than the last day of each month.

16.7.5 If the vendor shall fail or refuse to transfer any shares to the purchaser in accordance with its obligations under this Article 16, the Directors (other than those being themselves vendors (if any) or those appointed by the vendor (if any)) may authorise some other person to execute and deliver on such vendor's behalf the necessary form of transfer and the Company may receive and hold (without being liable to account for the interest in respect thereof) the purchase money in trust for the vendor and cause the purchaser (or its nominee) to be registered as the holder of such shares. The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and after the purchaser has been registered in purported exercise of the aforesaid powers, the validity of proceedings in connection therewith shall not be questioned by any persons. The vendor in such case shall be bound to deliver up its certificate(s) for such shares sold (on an appropriate indemnity in respect thereof) to the Company whereupon it or he shall be entitled to receive the purchase moneys due in respect of such shares from the Company.

16.7.6 Any date or period mentioned in this Article 16 may be extended by agreement between the parties hereto (or such other parties as may be effected thereby), but as regards any date or period (whether or not extended as aforesaid) time shall be of the essence of the provisions of this Article 16.

SHARE CERTIFICATES.

17. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class. 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 the joint holders shall be sufficient delivery to all.
18. Any person (subject as aforesaid) whose name is entered in the Register of Members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of a transfer of fully-paid shares) within fourteen days after lodgment of a transfer or (in the case of a transfer of partly-paid shares) within two months after lodgment of a transfer.
19. Where some only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
20. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.
- (C) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any reasonable expenses of the Company in connection with the request as the Directors may think fit.
- (D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

CALLS ON SHARES.

21. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of allotment of such shares. 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.
22. 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. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

23. 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 17 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.

24. 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 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.

25. 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.

26. 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 17 per cent. per annum) as the member paying such sum and the Directors may agree.

FORFEITURE AND LIEN.

27. If a member fails to pay in full any call or instalment of a call on or before the due date 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 which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

28. 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 and 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 has been made will be liable to be forfeited.

29. 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.

30. A share so forfeited or surrendered shall become the property of the Company and 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 disposal 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.

31. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the 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 presently payable by him to the Company in respect of the shares with interest thereon at 17 per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion 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 or waive payment in whole or in part.

32. The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and 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.

33. 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 payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

34. 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 amount in respect whereof the lien exists so far as the same is then payable and any residue shall, upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for sums not presently 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 the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to, or in accordance with the directions of, the purchaser.

35. 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 declaration 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 not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES.

36. Subject to Articles 15 and 16, all transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand only. 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 remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

37. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register of Members shall not be closed for more than thirty days in any year.

38. The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is in respect of only one class of share and is lodged 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). In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange the lodgment of share certificates will only be necessary if and to the extent that certificates have been issued in respect of the shares in question.

39. All instruments of transfer which are registered may be retained by the Company.

40. No fee will be charged by the Company in respect of the registration of any instrument of transfer 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. The Company shall be entitled to destroy all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of 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:-

(a) 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;

(b) 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 in the absence of this Article;

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

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 administrators of the deceased where he was a sole or only surviving holder, shall subject to Article 16 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. Subject to Article 42.1, any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. 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 notice or transfer were a transfer executed by the member registered as the holder of any such share.

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 or otherwise by operation of law (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in respect of the share.

GENERAL MEETINGS.

45. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently 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.

46. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS.

47. An Annual General Meeting and any Extraordinary 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 twenty-one days' notice in writing at the least and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be 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: 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 ninety-five per cent. in nominal value of the shares giving that right.
48. (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 business other than routine 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.
49. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-
- (a) declaring dividends;
 - (b) receiving and/or adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
 - (c) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting); and
 - (d) determining the remuneration of the Auditors or the manner in which such remuneration is to be determined.

PROCEEDINGS AT GENERAL MEETINGS.

50. The Chairman of the Directors, failing whom a Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, 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.
51. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum for all purposes including one person being or representing a Founder, one person being or representing a holder of any of the 'A' Shares, one person being or representing a holder of any of the 'B' Shares and one of the Founders.

52 If within five minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) 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 such other day and such time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chairman of the meeting may determine and in the latter case not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. At the adjourned meeting one member present in person or by proxy and entitled to vote shall be a quorum for all purposes.

53. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) 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. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

54. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

55. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special or Extraordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

56. 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:-

(a) the chairman of the meeting; or

(b) not less than three 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.

57. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is demanded 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 demanded, 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 the 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

58. 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 not be entitled to a casting vote.

59. A poll demanded on the choice 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. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS.

60. Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles to any class of shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder: provided that (i) no shares of any one class shall confer any right to vote upon a resolution for the removal from office of a Director appointed or deemed to have been appointed by holders of shares of any other class, and (ii) if at any meeting any holder of shares is not present in person or by proxy the votes exercisable on a poll in respect of the shares of the same class held by members present in person or by proxy shall be pro tanto increased (fractions of a vote by any member being permitted) so that such shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the shares of that class if all the holders thereof were present.

61. 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 for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the share.

62. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

63. No member shall, unless the Directors otherwise determine, be entitled in respect of any share held by him to vote either personally or by proxy at a General Meeting or a

meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to General Meetings of the Company or meetings of the holders of any class of shares of the Company if any call or other sum presently payable by him to the Company in respect of that share remains unpaid.

64. 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 tendered 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.

65. 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.

66. A proxy need not be a member of the Company.

67. An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:-

(a) in the case of an individual shall be signed by the appointor or 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 signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.

68. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Transfer Office) 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 taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument 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: provided that 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 for the purposes of any subsequent meeting to which it relates.

69. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll but shall not confer any further right to speak at the meeting, except with the permission of the chairman of the meeting.

70. A vote cast by 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 (in the

case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES.

71. 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.

72. Subject as hereinafter provided the Directors shall not be less than five and the maximum number of Directors shall be 12 or such other number as the Company may from time to time by Ordinary Resolution determine. The first Directors shall consist of five persons who shall be designated as 'A' Directors (and shall be deemed to have been appointed under Article 81 by the holders of the 'A' Shares) and Paul Bradshaw. Further directors may subject to Article 81 in relation to the appointment of any 'B' Director be appointed to the Board with the prior approval of the 'A' Shareholders.

73. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

74. The Directors shall be entitled to such remuneration as the Company may by Ordinary Resolution determine and, unless the resolution provides otherwise, the remuneration shall accrue from day to day.

75. Any Director who holds any executive office (including for this purpose the office of Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

76. 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 otherwise in connection with the business of the Company.

77. (A) The Directors shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

(B) Without prejudice to the provisions of Article 140 (Indemnity) the Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any other company which is its holding company or in which the

Company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any other such company or subsidiary undertaking are interested, 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 or any other such company, subsidiary undertaking or pension fund.

78. A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed by him) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

79. (A) The Directors may from time to time appoint one of their number to the office of Chairman, Chief Executive and Managing Director, in each case on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

(B) The appointment of any Director to the office of Chairman, Chief Executive or Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(C) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

80. The Directors may entrust to and confer upon any Director holding any executive office 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.

APPOINTMENT AND RETIREMENT OF DIRECTORS.

81. The holder(s) of the 'A' Shares may from time to time appoint five persons to be Directors and the holder(s) of the 'B' Shares may from time to time appoint one person to be a Director. In these Articles the expressions 'A' Director, and 'B' Director respectively designate Directors according to the class of shareholders which have appointed or deemed to have appointed them.

82. Any provision of the Statutes which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as a Director on account of his having reached any specified age or of requiring special notice or any other special formality in connection with the appointment of any Director over a specified age, shall not apply to the Company.

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

(a) if he shall become prohibited by law from acting as a Director;

(b) if he shall be removed from office by the holder of the relevant class of shares or he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer;

(c) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;

(d) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;

(e) if (not being an 'A' Director) he shall be removed from office by notice in writing served upon him signed by all his co-Directors, but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

84. Any appointment or removal by the holders of the 'A' or 'B' Shares shall be in writing served on the Company and signed by the holder(s) of the issued 'A' or 'B' Shares (as the case may be). In the case of a corporation such document may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative and shall take effect immediately upon receipt by the Company at its office.

85. The Directors shall not be subject to retirement by rotation.

86. The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill 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 such office or a resolution or 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, or

(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 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 a break.

87. 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.

88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged 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.

89. The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for 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) Any Director (other than an alternate Director) may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.

(B) The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.

(C) An alternate Director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally to perform all functions of his appointor as a Director and the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall act as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health

or disability his signature shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committees of the Directors the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member.

(D) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

MEETINGS AND PROCEEDINGS OF DIRECTORS.

91. Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. Unless agreed otherwise by a majority of the Directors including at least one 'A' Director, Board meetings shall be held not less than four times in every year and at not more than four-monthly intervals. Fourteen days' notice shall be given to each Director of all meetings of the Board. Each such notice shall contain, inter alia, an agenda specifying in reasonable detail the matters to be discussed at the meeting and shall be accompanied by any relevant papers for discussion at such meeting. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom but if such notice is given it shall be sent by courier, facsimile or telex. Any Director may waive notice of any meeting and any such waiver may be retroactive.

92. Without prejudice to the first sentence of Article 90, a meeting of the Board (or of a committee of the Board) may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by the others simultaneously; and the word "meeting" in the Articles shall be construed accordingly. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

93. The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. 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.

94. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall not have a second or casting vote. Provided that at least one 'A' Director is present at the meeting all of the votes exercisable by the 'A' Directors shall be exercisable by such number of 'A' Directors as are actually present at the meeting.

95. On any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed) may

retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof.

96. The continuing Directors may act notwithstanding any vacancies, 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 such vacancies or of summoning General Meetings, 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.

97. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

98. A resolution in writing signed by all the Directors shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form each signed by one or more Directors.

99. The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees consisting of two or more members of their body including at least one 'A' Director. Insofar as any such power or discretion is delegated to a committee any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise by such committee. 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.

100. The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article.

101. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons 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 or member of the committee and had been entitled to vote.

BORROWING POWERS.

102. (A) Subject to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property (present and future) and uncalled capital or any part or parts thereof 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.

(B) The Directors shall restrict the borrowings of the Company and exercise all voting and other rights, powers of control or rights of influence exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group and for the time being owing to persons outside the Group shall not at any time without the previous sanction of an Extraordinary Resolution of the Preference Shareholders exceed an amount equal to 50% of the Adjusted Capital and Reserves; for the purposes of this Article "Group" shall mean and include the Company and its subsidiary undertakings for the time being.

(C) For the purpose of the foregoing limit the following provisions shall apply:-

(i) there shall be deemed, subject as hereinafter provided, to have been borrowed and to be outstanding as borrowed moneys of the relevant member of the Group (to the extent that the same would not otherwise fall to be taken into account):-

(a) the principal amount of all debentures of any member of the Group which are not for the time being beneficially owned within the Group;

(b) the outstanding amount of acceptances (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Group or by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the Group;

(c) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking which is a body corporate of the Company not for the time being beneficially owned by other members of the Group;

(d) the nominal amount of any other issued and paid up share capital and the principal amount of any other debentures or other borrowed moneys (not being shares or debentures which or borrowed moneys the indebtedness in respect of which is for the time being beneficially owned within the Group) the redemption or repayment whereof is guaranteed (or is the subject of an indemnity granted) by any member of the Group;

(e) any fixed or minimum premium payable on final redemption or repayment of any debentures, share capital or other borrowed moneys falling to be taken into account;

(ii) moneys borrowed by any member of the Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other borrowed moneys falling to be taken into account and intended to be applied for such purpose within six months after the borrowing thereof shall not during such period, except to the extent so applied, themselves be taken into account;

(iii) any amounts borrowed by any member of the Group from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured

by the Export Credits Guarantee Department or other like institution carrying on a similar business shall be deemed not to be borrowed moneys;

(iv) moneys borrowed by a partly-owned subsidiary undertaking and not owing to another member of the Group shall be taken into account subject to the exclusion of a proportion thereof equal to the minority proportion and moneys borrowed and owing to a partly owned subsidiary undertaking by another member of the Group shall be taken into account to the extent of a proportion thereof equal to the minority proportion; for the purposes aforesaid "minority proportion" shall mean the proportion of the issued equity share capital of such partly-owned subsidiary undertaking which is not attributable to the Company;

(v) amounts expressed in or calculated by reference to a currency other than sterling shall be converted into sterling at the relevant rate of exchange used for the purposes of the latest available audited consolidated balance sheet of the Company save that borrowings made since the date of such balance sheet shall be converted at the rate of exchange or approximate rate of exchange (determined on such basis as the Auditors may determine or approve) ruling on the date of the borrowing.

(D) In this Article the expression "Adjusted Capital and Reserves" means at any material time a sum equal to the aggregate of:-

- (a) the amount paid up on the issued share capital of the Company; and
- (b) the amount standing to the credit of the capital and revenue reserves of the Company and its subsidiary undertakings referred to below (including any share premium account or capital redemption reserve) after adding thereto or deducting therefrom any balance to the credit or debit of profit and loss account; and
- (c) to the extent not already covered in (a) and/or (b) above, the embedded value from time to time of any life assurance company which is a subsidiary of the Company as determined by the appointed Actuary to such life assurance company;

all based on a consolidation of the then latest available balance sheets of the Company and its subsidiary undertakings other than those excluded from consolidation in the latest available consolidated group accounts:-

- (i) deducting sums equivalent to the book values of goodwill and any other intangible assets shown in such consolidation (adjusted as aforesaid);
- (ii) excluding any sums set aside for taxation (including deferred taxation) less any sums properly added back in respect thereof;
- (iii) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital or any such reserves subsequent to the relevant balance sheet date and so that for this purpose if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription moneys payable in respect thereof (not being moneys payable later than six months

after the date of allotment) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

(iv) making such adjustments as may be appropriate in respect of any distributions declared, recommended or made by the Company or its subsidiary undertakings (other than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or subsidiary undertakings (as the case may be) to the extent that such distribution is not provided for in such balance sheet;

(v) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings since the date of the latest audited balance sheet of the Company;

(vi) if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any undertaking is to become or cease to be a subsidiary undertaking, making all such adjustments as would be appropriate if such transaction had been carried into effect;

(vii) excluding minority interests in subsidiary undertakings.

The determination of the Auditors as to the amount of the Adjusted Capital and Reserves at any time shall be conclusive and binding on all concerned and for the purposes of their computation the Auditors may at their discretion make such further or other adjustments (if any) as they think fit.

(E) No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or the recipient of the security had, at the time when the debt was incurred or security given, express notice that the said limit had been or would thereby be exceeded.

GENERAL POWERS OF DIRECTORS.

103. The business and affairs of the Company shall be managed by the Directors, who may pay all expenses incurred in forming and registering the Company, and 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 any agreement between and binding upon the 'A' Shareholders, the 'B' Shareholders, the 'C' Shareholders and the Company, to any regulations of these Articles, to the provisions of the Statutes and to such regulations, whether or not consistent with these Articles, 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.

104. 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.

105. 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 appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

106. The Directors may from time to time elect a President of the Company and may determine the period for which he shall hold office. Such President may be either honorary or paid such remuneration as the Directors in their discretion shall think fit, and need not be a Director but shall, if not a Director, be entitled to receive notice of and attend and speak, but not to vote, at all meetings of the Board of Directors.

107. 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 a branch 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.

108. 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.

SECRETARY.

109. 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. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries.

THE SEAL.

110. (A) The Directors shall provide for the safe custody of the Seal and it shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.

(B) Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors save that as regards any certificates for shares or debentures or other securities of the Company

the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

(C) Where the Statutes so permit, any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended to have effect as a deed without the authority of the Directors or of a committee authorised by the Directors in that behalf.

111. 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.

AUTHENTICATION OF DOCUMENTS.

112. 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, 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 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 any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

RESERVES.

113. The Directors may from time to time 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 the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.

DIVIDENDS.

114. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

115. 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 periods as they think fit.

116. Unless and to the extent that the rights attached to any shares or the terms of issue 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 amounts 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. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.

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. (A) 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 moneys payable to the Company in respect of that share.

(B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

121. The waiver in whole or in part of any dividend on any share by any document (whether or not executed as a Deed) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

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 and 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.

123. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

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 or otherwise by operation of law, to any one of such persons) or to such person and such address as such member or person or persons may by 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 or otherwise by operation of law 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 or otherwise by operation of law, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

126. Any resolution for the declaration or payment of a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

CAPITALISATION OF PROFITS AND RESERVES.

127. The Directors may, with the sanction of an Ordinary Resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of 'A' Shares, 'B' Shares and 'C' Shares on the Register at the close of business on the date of the resolution (or such other date as may be specified therein or determined as therein provided) in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and:-

127.1 on behalf of the holders of 'A' Shares applying that part of such sum distributable amongst them in paying up in full unissued 'A' Shares for allotment and distribution credited as fully paid up to and amongst them;

127.2 on behalf of the holders of 'B' Shares applying that part of such sum distributable amongst them in paying up in full unissued 'B' Shares for allotment and distribution credited as fully paid up to and amongst them; and

127.3 on behalf of the holders of 'C' Shares applying that part of such sum distributable amongst them in paying up in full unissued 'C' Shares for allotment and distribution credited as fully paid up to and amongst them;

The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

POWER TO CAPITALISE ON ADJUSTMENT TO THE SUBSCRIPTION PRICE IN A SHARE BENEFIT TRUST

128. Notwithstanding any other provisions contained in these Articles, if an adjustment is made to the subscription price payable by an option holder or participant under any employees' share scheme or share scheme for the benefit of individuals who have or have had contracts for services with the Company, operated by the Company which results in the adjusted price per share payable on the exercise of an option or right to subscribe in respect of an Ordinary Share being less than the nominal value of such Ordinary Share (the "adjusted price"), the Directors may capitalise all or part of the Company's reserves available for distribution (excluding any share premium account, capital redemption reserve or other undistributable reserve), upon the issue of any Ordinary Share in respect of and following the exercise of the relevant option or right to subscribe (the "new share"). The amount to be so capitalised shall be equal to the difference between the adjusted price and the nominal value of the new share. The Directors shall apply such amount in paying up in full the balance payable on the new share. The Directors may take such steps as they consider necessary to ensure that the Company has sufficient reserves available for such application. No further authority of the Company in general meeting for this purpose shall be required.

ACCOUNTS.

129. Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the officers of the Company. Subject as aforesaid no member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

AUDITORS.

130. 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 or subsequently became disqualified.

131. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any 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.

132. 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, or by delivering it to such address addressed as aforesaid. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained. 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 (or, where second-class mail is employed, forty-eight hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

133. Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices shall be disregarded.

134. A person entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also 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 said member would have been 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 to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

135. 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.

136. 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 notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two national daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all members entitled thereto on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

137. Nothing in any of the preceding five Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.

WINDING UP.

138. The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

139. 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.

140. Subject to the provisions of and so far as may be consistent with the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.