

SC204973

THE COMPANIES ACTS 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

AQUADOS UK LIMITED

Adopted by Special Resolution passed on 9th October 2000)

PRELIMINARY

1 The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A") so far as not excluded or modified by the following Articles shall apply to the Company.

2.1 Regulations 5, 8, 33, 64, 73 to 75 inclusive, 80, 94, 95 and 118 of Table A shall not apply to the Company and the following Regulations thereof shall be modified:-

Regulation 6 by the deletion of the words "sealed with the seal" and the substitution of the words "executed in terms of section 36B of the Act";

Regulation 32 by the deletion of paragraph (a) and the consequential re-lettering of the subsequent paragraphs and the addition to the original paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any member becoming entitled to fractions of a share";

Regulation 40 by the addition at the end of the second sentence of the words "provided that if the Company shall have only one member, one member present in person or by proxy shall be a quorum";

Regulation 46 by the deletion of paragraphs (a) to (d) inclusive and the substitution of the words "by the chairman or by any person present entitled to vote upon the business to be transacted";

Regulation 54 by the addition of the words "or by proxy" between the words "vote," and "shall" and the words "fully paid" between the words "every" and "share";

Regulation 66 by the addition of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)" between the words "shall" and "be";

Regulation 67 by the deletion of the words from "but" until the end;



Regulation 72 by the addition of the words "Any committee shall have power, unless the Directors direct otherwise, to co-opt as a member or members of the committee for any specific purpose any person, or persons, not being a Director of the Company." at the end;

Regulation 76 by the deletion of the words "other than a director retiring by rotation", "or reappointed" and "or reappointment" each time they appear;

Regulation 77 by the deletion that the words "(other than a director retiring by rotation at the meeting)", "or reappointment" and "or reappointed" each time they appear;

Regulation 78 by the deletion of the words "and may also determine the rotation in which any additional directors are to retire";

Regulation 79 by the deletion of the second and third sentences;

Regulation 82 by the addition of the words "by way of directors' fees" between the words "remuneration" and "as";

Regulation 84 by the addition of the words "Unless the contrary shall be provided in the terms of his appointment" at the beginning of the third sentence and the deletion of the fourth sentence;

Regulation 85(c) by the addition of the words ", subject to the terms of any contract of employment between the Company and the Director," between the words "shall" and "not";

Regulation 115 by the deletion of the number "48" and the substitution of the number "24".

- 2.2 Unless otherwise required by the context of the Articles, words or expressions which are defined in Table A shall have the same meaning in the Articles.
- 2.3 Unless otherwise required by the context of the Articles, words importing the singular only shall include the plural and vice versa; words importing any gender shall include the other genders; and words importing natural persons shall include corporations and vice versa.
- 2.4 In these Articles unless the context otherwise requires:-

"Act" means the Companies Act 1985 as amended;

"Approved Issue" means an issue of new shares in the capital of the Company implementing the terms of any option granted by the Company to any of its employees but always only so that following exercise of such options the resultant shares issued equate to not more than ten per centum (10%) of the issued equity share capital;

"Board" means the board of Directors of the Company from time to time;

"Connected With" shall have the meaning ascribed to it in Section 839 of the Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever Section 416 or Section 840 of that Act would so require;

"equity shares" shall have the meaning ascribed to it by Section 744 of the Act;

"Investors" shall have the meaning subscribed to it in the Shareholders Agreement;

"Investor Majority" shall have the meaning ascribed to it in the Shareholders Agreement;

"Mr Hinton" means Gerald Thomas Hinton;

"Shareholders Agreement" means the Shareholders Agreement entered into by the Company on 9th October 2000 with Mr Hinton and others.

SHARE CAPITAL

- 3.1 The Directors are generally and unconditionally authorised to allot relevant securities (within the meaning of Section 80(2) of the Act) on such terms and at such time or times as they may in their discretion think fit; provided that:-
- (a) the maximum nominal amount of relevant securities to be allotted in pursuance of such authority shall be the aggregate nominal amount of the unissued shares in the capital of the Company from time to time while this authority is in force; and
 - (b) this authority shall expire, unless sooner revoked or altered by the Company in general meeting, on the expiry of the period of five years from the date of the passing of the resolution by virtue of which this Article was adopted as part of the Articles provided that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
- 3.2 Section 89(1) of the Act shall not apply to any allotment of shares in the Company.
- 3.3 The profits of the Company available for distribution shall be applied as follows:-
- (i) First in paying to Mr Hinton a preferential net cash dividend ("the Preference Dividend") of an amount equal in aggregate to the sum of £250,000, which Preference Dividend to be paid, subject always to the terms of the Act, in such amounts and on such dates as the Board shall resolve having regard always to the ongoing working capital requirements of the Company; and
 - (ii) Subject to Mr Hinton having been paid in aggregate the sum of £250,000 by way of Preference Dividend on a once only basis, the profits of the Company available and resolved to be distributed by the Board shall be distributed amongst all the holders of shares in the capital of the Company.
- 4 The Company shall be entitled, but shall not be bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company shall not be bound to see to the execution, administration or observance of any trust (whether express, implied or constructive) in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute owners thereof. For the purpose of this Article, "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission thereof as are mentioned in Table A.

LIEN

- 5 The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person whether as a member or not and whether such moneys are presently payable or not. The Directors may at any time declare

any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends and other payments or distributions payable or distributable thereon or in respect thereof.

ISSUE OF SHARES

- 6.1 Save in respect of an Approved Issue, except with the consent in writing of all the holders of fully paid shares of the Company, any shares in the capital of the Company which are from time to time unissued shall, before issue, be offered by the Directors in the first instance to all holders of fully paid shares of the Company at the date of the offer. Every such offer shall be in writing, shall be on identical terms for each holder, shall state the number of the shares to be issued, the terms of issue, the aggregate number of shares in issue in the capital of the Company (differentiating between fully paid and partly or nil paid shares), the number of shares held by the holder to whom the offer is addressed (differentiating between fully paid and partly or nil paid shares) and shall be subject to the following conditions, which shall be incorporated in such offer:-
- (a) that any acceptance thereof (which may be as regards all or any of the shares offered) shall be in writing and be delivered at the office within a period of 14 days from the date of service of the said offer;
 - (b) that in the event of the aggregate number of shares accepted exceeding the number of shares included in such offer, the holders accepting shall be entitled to receive, and bound to accept, an allocation of either the number of shares accepted by them respectively or a proportionate number of the shares offered according to the proportion which the number of fully paid shares held by the accepting holder bears to the aggregate number of fully paid shares held by all the accepting holders at the date of the offer, whichever number be less; and
 - (c) that any holders to whom such offer shall have been made and whose requirements shall not have been fully met by such allocation shall further be entitled to receive, and bound to accept, an allocation among them of any surplus shares in proportion, as nearly as may be, to the number of shares accepted by them respectively in excess of the number of shares to which they may respectively be entitled on the first allocation thereof as aforesaid.

The regulations regarding the service of notices contained in Table A shall apply to any offers made by the Directors in terms of this Article.

- 6.2 If any such offer shall not be accepted in full, the Directors may within three months after the date of such offer dispose of any shares comprised therein and not accepted as aforesaid to such person or persons as they may think fit but only at the same price upon the same terms as to payment, if any, as were specified in such offer.

TRANSFER AND TRANSMISSION OF SHARES

- 7 On it being demonstrated to the satisfaction of Mr Hinton that there is significant benefit for the purposes of mitigating taxation in so doing, any holder of shares being an individual, or his executors or testamentary trustees, shall be entitled to transfer all or any of the shares in the capital of the Company held by him to the spouse or son or daughter or son-in-law or daughter-in-law or father or mother of such member or to any other lineal ascendant or descendant of such member or spouse or to the trustees acting under a deed of trust or other settlement wholly or mainly for the benefit of any of such persons. A trustee or trustees of such a trust shall also be entitled to transfer any such shares to a new trustee or trustees or to any beneficiary entitled under such trust. If and whenever any such shares cease to be held upon such a trust, otherwise than in consequence of a transfer to any beneficiary thereunder, the trustee or trustees shall forthwith give a transfer notice (in terms of Article 9.1) in respect

of the shares in question and such shares may not otherwise be transferred. Failure so to give a Transfer Notice within 28 days of the shares ceasing to be held as aforesaid shall result in the shares in question being deemed to be the subject of a Transfer Notice in which the fair value (in terms of Article 9.3) is deemed to be the greater of the aggregate amount subscribed or paid for the shares to be so transferred and par.

- 8 Except only with the consent in writing of all the holders of the fully paid shares of the Company no share in the capital of the Company, or any interest therein, shall be transferred, other than a transfer of shares pursuant to Article 7, otherwise than in accordance with Article 9.
- 9.1 Any holder of shares in the capital of the Company (or other person entitled to transfer shares in the capital of the Company) who desires to dispose of any shares in the capital of the Company, or any interest therein, (hereinafter called "the Retiring Member") shall give notice in writing to that effect (hereinafter called "the Transfer Notice") to the Company, sent by post to or left at the office.
- 9.2
 - (a) The Transfer Notice shall specify the number of shares and the proposed price thereof and shall constitute the Directors the agents of the Retiring Member for the sale of the shares in terms of these Articles.
 - (b) A transfer of shares, or any interest therein, not preceded by a Transfer Notice shall, when presented to the Company for registration, have the effect only of a Transfer Notice in regard to the shares comprised therein and in any other event have no effect in a question with the Company.
 - (c) The Retiring Member may stipulate in the Transfer Notice that unless acceptances are received pursuant to Article 9.4 or Article 9.5 in respect of all the shares comprised in such Transfer Notice, none shall be sold. Such stipulation may be revoked at any time prior to the final date for acceptances in terms of Article 9.4 by the Retiring Member by notice in writing to the Directors.
 - (d) The Retiring Member may within 14 days of the fair value being fixed in terms of Article 9.3 by notice in writing to the Directors withdraw the Transfer Notice and in such event the whole cost of having the fair value fixed by a Chartered Accountant in terms of Article 9.3 shall be borne by the Retiring Member. Save as provided in this Article 9.2(d), a Transfer Notice shall not be revocable other than with the sanction of the Directors.
- 9.3
 - (a) Within the period of 7 days after receipt of the Transfer Notice the Directors shall give intimation in writing to the remaining holders of shares of the Company of the receipt thereof and of the number and the proposed price of the shares comprised therein so that any of such holders may within the period of 14 days after the date of the intimation make representations in regard to such price to the Directors for consideration by them. Notwithstanding such representations the Directors shall be entitled in their absolute discretion to accept or reject such price as the fair value of the shares which are the subject of the Transfer Notice. If the Directors do not accept the price specified in the Transfer Notice as the fair value they shall give intimation in writing to the Retiring Member to that effect within the period of 28 days after receipt of the Transfer Notice and, failing such intimation, the fair value shall be held to be the price specified in the Transfer Notice and to have been fixed as at the expiry of such period.

- (b) In the event of the Directors not accepting the proposed price as the fair value and in the event of the Retiring Member and the Directors being unable to agree upon a price the shares shall be offered for sale at a price to be fixed as their fair value by an independent Chartered Accountant to be nominated, failing agreement between the Retiring Member and the Directors, by the President for the time being of The Institute of Chartered Accountants for Scotland. The Retiring Member and the Directors may make representations as to the fair value of the shares to such Chartered Accountant for consideration by him before the granting of his certificate but, notwithstanding such representations, he shall be entitled to fix such value in his own absolute discretion subject to the following provisions of these Articles. For the purposes of these Articles, the fair value of each share comprised in the Transfer Notice shall be on the following basis, namely:-

- (i) by determining the sum which a willing purchaser would offer to a willing vendor for the whole of the issued equity share capital of the Company (taking into account goodwill (if any); and
- (ii) by dividing the resultant figure by the total issued equity share capital of the Company and multiplying the result by the number of shares represented in the Transfer Notice.

The certificate of such Chartered Accountant (who shall act as an expert and not as an arbiter) as to such value shall be final and binding on all concerned. The whole cost of having the fair value of the shares comprised in the Transfer Notice fixed by a Chartered Accountant as aforesaid shall, subject to Article 9.2(d), be borne by the Retiring Member and the Company in equal portions.

- 9.4 (a) The remaining holders of fully paid shares of the Company shall be entitled to purchase the shares comprised in the Transfer Notice. Upon the fair value of the shares comprised in the Transfer Notice being fixed in terms of Article 9.3 the Directors shall proceed to offer such shares to the remaining members at the fair value thereof.

- (b) Every such offer shall be in writing, shall be on identical terms for each holder, shall state the number of shares the subject of the Transfer Notice and the fair value thereof, shall state whether or not the Retiring Member has made the stipulation stated in Article 9.2(c), shall state the aggregate number of shares in issue in the capital of the Company (differentiating between fully paid and partly or nil paid shares) and the number of shares held by the holder to whom the offer is addressed (differentiating between fully paid and partly or nil paid shares) and shall be served within a period of 14 days after the fair value of the shares to be comprised therein shall have been fixed as aforesaid and shall be subject to the following conditions, which shall be incorporated in such offer:-

- (i) that any acceptance thereof (which may be as regards all or any of the shares offered) shall be in writing and be delivered to the office within a period of 14 days from the date of service of the said offer,
- (ii) that in the event of the aggregate number of shares accepted exceeding the number of shares included in such offer, the holders accepting shall be entitled to receive, and bound to accept, an allocation of either the number of shares accepted by them respectively or a proportionate number of the shares offered according to the proportion which the number of fully paid

shares held by the accepting holder bears to the aggregate number of fully paid shares held by all the accepting holders at the date of the offer, whichever number be the less; and

- (iii) that any holders to whom such offer shall have been made and whose requirements shall not have been fully met by such allocation shall further be entitled to receive, and bound to accept, an allocation among them of any surplus shares in proportion, as nearly as may be, to the number of shares accepted by them respectively in excess of the number of shares to which they may respectively be entitled on the first allocation thereof as aforesaid.

The regulations regarding the service of notices contained in Table A shall apply to any offers made by the Directors in terms of this Article.

- 9.5 If offers in terms of Article 9.4 shall be refused or shall not be timeously accepted as regards all or any of the shares comprised therein, the Directors shall be entitled to offer such shares at the fair value thereof fixed in terms of Article 9.3 to such person or persons as may be selected by them provided that any acceptance of an offer in terms of this Article shall be in writing and be delivered at the office within a period of 28 days after the offer in terms of Article 9.4 shall have been refused or the time for acceptance thereof shall have expired as the case may be. 9.6 Subject to the provisions of Article 9.2(c), if the Directors shall receive an acceptance of any offer made in terms of Article 9.4 or Article 9.5 as regards any share or shares comprised therein and shall give notification thereof to the Retiring Member within a period of 14 days after the expiry of the period allowed for acceptance of such offer the latter shall thereupon be bound forthwith, subject to payment of the price, to transfer such share or shares to the acceptor of such offer.
- 9.6 Subject to the provisions of Article 9.2(c), if the Directors shall receive an acceptance of any offer made in terms of Article 9.4 or Article 9.5 as regards any share or shares comprised therein and shall give notification thereof to the Retiring Member within a period of 14 days after the expiry of the period allowed for acceptance of such offer the latter shall thereupon be bound forthwith, subject to payment of the price, to transfer such share or shares to the acceptor of such offer.
- 10 If in any case the Retiring Member, after having become bound in terms of Article 9.6, makes default in transferring any share or shares, the Directors may receive the purchase money and authorise one of their number, or some other person, to execute a transfer or transfers of the share or shares in favour of the purchaser or purchasers and, on that being done, the Directors shall cause such transfer to be registered and the name of the purchaser or purchasers to be entered in the Register of Members as the holder of the share or shares and shall hold the purchase money in trust for the Retiring Member. The receipt of the Directors for the purchase money shall be a good discharge to the purchaser and, after his name has been entered in the Register of Members in exercise of the aforesaid power, the validity of the proceedings shall not be questioned by any person.
- 11 The Retiring Member shall be entitled (subject to the provisions of Article 13 below) at any time within six months after the fair value of any share comprised in a Transfer Notice shall have been fixed in terms of Article 9.3 and in respect of which any offer made in terms of Article 9.4 or Article 9.5 shall not have been accepted as aforesaid or the price of which shall not have been paid within 14 days after notification of acceptance in terms of Article 9.6, to dispose of the shares comprised in the Transfer Notice or any of them to any third party or parties at any price not being less than the fair value fixed in terms of Article 9.3 PROVIDED THAT the remaining shareholders may require to be satisfied that such shares are being transferred in pursuance of a *bona fide* sale for the consideration stated in the transfer without

any deduction, rebate or allowance whatsoever to the purchaser, and if not so satisfied the Directors shall refuse to register the transfer.

- 12 In the event of the death or bankruptcy of any member (and the shares held by such member at the date of such death or bankruptcy transmitting or being transferred to any person or persons not within the classes of persons described in Article 7.1) or in the event of the liquidation (except for the purpose of reconstruction or amalgamation) of any member or in the event of the employment with the Company of any member being terminated for whatever reason or in the event of any member of the Company being a Director of the Company ceasing for whatever reason to be a Director of the Company, then the Directors shall be entitled at any time within six months after the occurrence of the relevant event by notice in writing to require such member or the executors or testamentary trustees or trustee in bankruptcy or liquidator, as the case may be, of such member to give a Transfer Notice in terms of Article 9 hereof (save that such Transfer Notice shall not be revocable) as regards all or any of the shares which were held by him or them on the occurrence of the relevant event and, in the event of such transfer notice not being received by the Directors within 14 days after such notice given by the Directors, the Directors shall be entitled to proceed as if such transfer notice had actually been received by them on the last of such 14 days. The provisions of this Article shall have effect in precedence to the provisions of Regulations 29 and 30 of Table A.
- 13.1 Notwithstanding any other provision of these Articles the provisions of this Article shall apply;
- 13.2 Other than a transfer of shares pursuant to Article 7 hereof no sale or transfer of any shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a transfer of fifty per cent (50%) or more of the Equity Shares is or would take place unless the proposed transferee or transferees or his or their nominees has or have offered to purchase the whole of the issued Equity Shares (as hereinafter defined) at the specified price (as hereinafter defined);
- 13.3 For the purposes of this Article:-
- (i) the expression "**the specified price**" shall mean a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Equity Shares (as hereinafter defined) in question to the holders thereof plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Equity Share (as hereinafter defined) in question which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Equity Shares (as hereinafter defined) in question and in the event of disagreement the calculation of the specified price shall be referred to an arbiter (acting as an expert and not as arbiter) nominated by the parties concerned (or, in the event of disagreement as to nomination), appointed by the President for the time being of the Institute of Chartered Accountants in Scotland whose decision shall be final and binding;
 - (ii) "**Equity Shares**" shall have the meaning ascribed to "**equity share capital**" in Section 736 of the Act;
 - (iii) the expression "**transfer**" and "**dispose of**" and "**transferor**" and "**transferors**" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment.

- 13.4.1 If the holders of at least 75% of the equity shares (together "the Selling Shareholders") wish to transfer all their shares ("the Relevant Shares") to a third party purchaser (who is not Connected With any of the Selling Shareholders) on arms length terms and conditions and at an arms length price), the Selling Shareholders shall have the option ("the Drag Along Option") to serve notice ("a Drag Along Offer") on all the other holders of equity shares ("the Called Shareholders") requiring them to transfer all their shares free from any lien, charge, option or encumbrance to the third party purchaser at the same price per share as has been offered to the Selling Shareholders.
- 13.4.2 The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect ("a Drag Along Notice") to the Called Shareholders at any time before the registration of the transfer of the Relevant Shares. A Drag Along Notice shall specify that the Called Shareholders must transfer all their Shares ("the Called Shares") pursuant to Article 13.4.1 to the third party purchaser, the price at which the Called Shares are to be transferred, the date of transfer and the identity of the third party purchaser.
- 13.4.3 In the event that a transfer is not delivered by any Called Shareholder by the date specified in the Drag Along Notice, the Called Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and to do such other things as may be necessary or desirable to transfer and complete the sale of the Called Shares pursuant to this Article 13.4. The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of equity shares to the third party purchaser named in a Drag Along Offer.
- 13.4.4 This Article 13.4 shall prevail over any contrary provisions of these Articles. Any Transfer Notice or Deemed Transfer Notice served in respect of any Share shall automatically be revoked by the acceptance of a Drag Along Offer.
- 14 The Directors shall not be entitled to decline to register a transfer of any shares made pursuant to the provisions of Articles 7, 9 , 11 or 13 except:-
- (a) when they have reason to believe that a transfer purportedly within Article 7 should on the facts have been the subject of a Transfer Notice; or
 - (b) where expressly provided in Article 11; or
 - (c) where the Company has a lien over any of the shares comprised in such transfer; or
 - (d) where it is in favour of more than four transferees; or
 - (e) where it is a transfer of nil or partly paid shares and it has not been executed by or on behalf of both the transferor and the transferee.

RESOLUTION OF MEMBERS

- 15 Subject to the provisions of the Act a resolution in writing signed by or on behalf of all the members who would have been entitled to vote upon it if it had been proposed at a General Meeting of the Company shall be as effective for all purposes as if the same had been duly passed at a General Meeting of the Company duly convened and held and may consist of several documents in the like form each signed by or on behalf of one or more members.

NUMBER OF DIRECTORS

- 16 The number of Directors (other than alternate Directors) shall not be more than 5 nor less than 2.

DIRECTORS

- 17 The Investors shall be entitled by way of Investor Majority to appoint as Director of the Company one person (herein referred to as the "**Investor Director**") and to remove from office any such person so appointed subject to freeing and relieving the Company from any claim for compensation for loss of office or otherwise and (subject to such approval) to appoint another person in his place. Any appointment or removal of an Investor Director pursuant to this Article shall be made by notice in writing served on the Company at its registered office signed by or on behalf of an Investor Majority.
- 18.1 A resolution in writing signed or approved by letter, telemessage, facsimile or telex by all the Directors for the time being entitled to receive notice of a meeting of Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the same terms each signed or approved by one or more of the Directors; and
- 18.2 Meetings of the Directors may be held by telephone communication or audiovisual communications media or other similar communicating equipment whereby all persons participating in the meeting can hear each other and such meeting shall, subject to notice thereof having been given in accordance with these Articles, be as effective as if the Directors had met in person, provided always that the number of Directors participating in such communication is not less than the quorum stipulated by these Articles. A resolution made by a majority of the said Directors in pursuance of this Article shall be as valid as it would have been if made by them at a meeting duly convened and held in person.
- 19 Any person of 18 years of age or greater age without limitation may be appointed a Director of the Company and no Director of the Company shall be required to vacate office at any time by reason of his age.
- 20 A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors shall arrange.
- 21 The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of their number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company.
- 22 A Director may as a Director vote and be counted as one of a quorum upon a motion in respect of any contract, matter or arrangement which he shall make with the Company or in which he shall be in any way interested provided that he shall first have disclosed the nature of his interest to the Directors.
- 23 The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of, or shall have rendered services of any kind to, the Company or any company which is the holding company or a subsidiary of the Company or such holding company or is allied to or associated with the Company or with any such holding company or subsidiary or which was a predecessor in business of the Company or of any such other company as aforesaid or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid or any person in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and to or for the benefit of the wives, widows, families and dependants

of any such persons, to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, to make payments for or towards the insurance of any such persons as aforesaid and to subscribe or guarantee money for any charitable or benevolent objects or for any exhibition or for any public, general or useful object and may do any of the matters aforesaid either alone or in conjunction with any other such company as aforesaid; Provided that the Directors shall not be entitled without the previous sanction of a Special Resolution of the Company to exercise the powers conferred by this Article in favour of any person who is or was a director of the Company or of any such other company as aforesaid but who does not hold or has not held any salaried employment or office in the Company or in any such other company as aforesaid or in favour of the wife, widow, family or dependants of any such person.

24 Subject to the provisions of the Act every Director or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur:-

- (a) in defending any proceedings, whether civil or criminal, in which decree is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty of his part, or
- (b) in connection with any application under section 144(3) or (4) or section 727 of the Act in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company.

SPECIAL ARTICLE

25 If a poll be demanded on any resolution to delete or amend or affect the import of the provisions of Article 6 or Article 8 or this Article, then any member voting against such resolution shall have on a poll one hundred times the number of votes of all the other members and Regulation 54 of Table A shall be modified accordingly.


INDEMNITY

26 Subject to the provisions of the Act every Director or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur:-

- (a) in defending any proceedings, whether civil or criminal, in which decree is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty of his part, or

- (b) in connection with any application under section 144(3) or (4) or section 727 of the Act in which relief is granted to him by the court from liability in respect of any act or omission *done or alleged to be done by him as an officer or employee of the Company.*

Certified a True Copy



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Director